

# Sales management

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SEPTEMBER 1, 1936  
TWENTY CENTS

Chevrolet Cuts Number  
of Retail Outlets to  
Insure Dealer Profits

Dealer Premiums Win  
and Hold Dealers'  
Good Will for Wrigley

What's Wrong—and  
Right—with American  
Railroad Salesmanship?

A New Survey

THE MAGAZINE OF MODERN MARKETING

*Glare is not confined to night driving*



## **PAPER GLARE** *can bother you at any time*

YOU KNOW the annoyance of glare-dazzling headlights which make you grope blindly for the pavement's dark edge. But there is another source of glare which causes eye fatigue and reader squint—the glare of too shiny paper.

Against this source of glare modern research offers the protection of printing papers the color and surfaces of which neutralize and absorb light.

### **EYE STRAIN REDUCED**

Among the modern printing papers,

in their price range, developed to banish glare, Kleerfect and Hyfect were the first. In their new color and soft surfaces are summed up the results of the most exhaustive tests ever undertaken to determine the shade of white and surface that best modifies dazzling light and minimizes reflections.

Among the papers specifically planned to ease the readers' eyes, Kleerfect and Hyfect are the most practical.

### **PRINTING DOLLARS STRETCH FARTHER**

Because of their versatility, Kleerfect and Hyfect can be successfully used on nearly every type and kind of printing job. For full information and estimates, showing how much you can save on your present printing costs, talk to your printer. For samples visualizing the added readability, which the glare-free surface will bring to your catalogs, booklets and mailing pieces, write our advertising office in Chicago.

This advertisement is NOT printed on either Kleerfect or Hyfect

**KIMBERLY-CLARK CORPORATION**

ESTABLISHED 1872

*Kleerfect*  
REG. U. S. PAT. OFF.  
**THE PERFECT PRINTING PAPER**  
MANUFACTURED UNDER U. S. PAT. NOS. 174,855

**NEENAH, WISCONSIN**  
CHICAGO • 8 SOUTH MICHIGAN AVENUE  
NEW YORK • 122 EAST 42ND STREET  
LOS ANGELES • 510 WEST SIXTH STREET

*Hyfect*  
REG. U. S. PAT. OFF.  
**ALL-PURPOSE BOOK PAPER**  
MANUFACTURED UNDER U. S. PAT. NOS. 174,855











## *A Masterpiece in Modern Merchandising*

• THE new Ball Blue Book . . . a masterpiece in modern merchandising . . . sixty pages packed with preserving instructions and recipes. • Page after page setting forth artistic photographic arrangements of fruits and vegetables, LITHOGRAPHED IN FOUR COLORS . . . each one a compelling taste tempter and appetite stimulator . . . the complete book an inspiration and a challenge to every housewife. • Thus do those smart merchandisers, the Ball Brothers Company, make their 1936 appeal to the discriminating homemakers of the country.

• Smart and modern in design . . . faithful in direct photographic product reproduction . . . beautifully lithographed on new multicolor precision presses . . . this new book is an outstanding exemplification of the results of CREATIVE COÖPERATION. • Close collaboration of Forbes creative and merchandising executives with sales and merchandising executives of Ball Brothers Company, and their advertising counselors, developed and designed the book . . . Forbes craftsmen did the rest!

*For Creative Coöperation Consult*



# FORBES

# LITHOGRAPH CO.

P. O. BOX 513 • BOSTON

NEW YORK • PHILADELPHIA • ROCHESTER • CHICAGO • DETROIT • CLEVELAND

SEPTEMBER 1, 1936

[283]



### T. R. Invents a Slogan

Not until last week did we hear the story of the way Maxwell House coffee got its slogan. It was an accident. Theodore Roosevelt, on one of his visits to the old Maxwell House in Nashville, the hotel which gave the coffee its name, called for a second cup of coffee at dinner. When he summoned the waiter, he said, "Get me some more of that excellent coffee. That cup was good to the last drop!" J. W. Neal, who, with Joel Cheek, later popularized the coffee, overheard the remark and immediately adopted it as a slogan.

### How a Trade Mark Is Born

While we're on the subject of "accidental" ideas which get into selling, we might also report to our ever-curious clientele how the present Dr. Pepper trade mark was born. Back in the dim past when Dr. Pepper was launched to a thirsty Southern public, someone adopted a script letter in red for the name on the bottle. This same slug was carried into the advertising. However, Dr. Pepper has a competitor that is pretty well known. It's called Coca-Cola. It also had a script trade mark in red. Soon the Dr. Pepper people began to pick up evidence that the two drinks were sometimes being confused because of the similarity of coloring and design in the names.

The Dr. Pepper Co. decided to make some slight alteration which would set their name apart from Coca-Cola. They had an artist make a rough sketch of the trade mark on a sketch pad of cross-hatched drawing paper. This they sent to a company in Ohio which had been making metal signs and other advertising materials for them. The company finished up the sketch and sent it back for approval. By accident, they included in the finished drawing a group of the squares made by the cross-hatching.

When the bigwigs in Dallas saw the trade mark with the unexpected addition of a tile-effect background, they immediately slapped an O.K. on it. "That's exactly what we've been looking for," said they. Today you'll see it plastered over 21 states—or maybe it's 23 or 24 by this time.

### Transparent Lady

Male visitors to the Museum of Science and Industry, New York, might be moved to sing a new song to an old tune: "Transparent lady, don't you try to two-time me." For there on exhibition is the world's only completely visible woman.

She is a \$20,000 model, made at the German Hygiene Museum of Dresden, and all her veins, brains, "liver and lights" are disclosed through her "skin," a synthetic, transparent, non-inflammable stuff resembling isinglass. Lights from inside reveal each organ and system; and as the bulbs snap on, the name of the organ appears on an illuminated base. Even the smallest bones are reproduced exactly. It took a year and a half to make her.

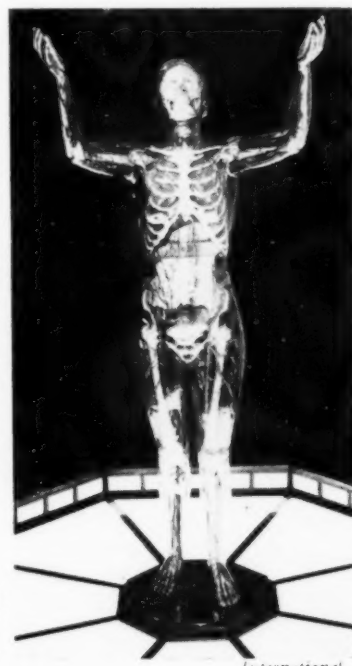
S. H. Camp & Co., manufacturers of physiological supports, of Jackson, Mich., imported the open and aboveboard lady. After a stay in Manhattan she will tour the country with a doctor-lecturer to explain the intricacies of the human Department of the Interior.

Four transparent men have preceded the lady. One was painstakingly assembled 25 years ago by German scientists. According to *News-Week*, "The late Karl Lingner, German hygiene propagandist, spurred the work with the millions he made from the mouthwash Odol. When he died during the World War he left his fortune—\$3,500,000—to found the Hygiene Museum. There, he hoped, transparent men by the dozen would be made for shipment throughout the world."

"Lingner's wishes went to pot temporarily. Currency inflation wiped out his bequest, and Dresden waited until 1930, when new funds were raised."

At present there is one man in Dresden, one in Sweden, another in a Buffalo, N. Y., museum. The fourth, after amazing visitors at the Chicago Century of Progress Exposition, reposes at the Mayo Brothers' Rochester, Minn., clinic. The lady is said to be an even better model than the men. She will last indefinitely, with only replacements of burned-out bulbs, to prove graphically that the human body is a marvelously contrived mechanism. Ethnologically she is described as a "universal Caucasian type" approximately 30 years old.

After being exhibited up and down the land—under the sponsorship of Camp & Co. and its ad agent, Lawrence Fertig & Co.—the lady will probably be presented to a museum or hospital.



At last! A woman who can be seen through.

### Murray Follows Through

The last time we counted Arthur Murray had 150 teachers in his dance school, which fills seven floors at 7 East 43d Street, New York. We happen to know about this because we were over, last Spring, taking lessons there.

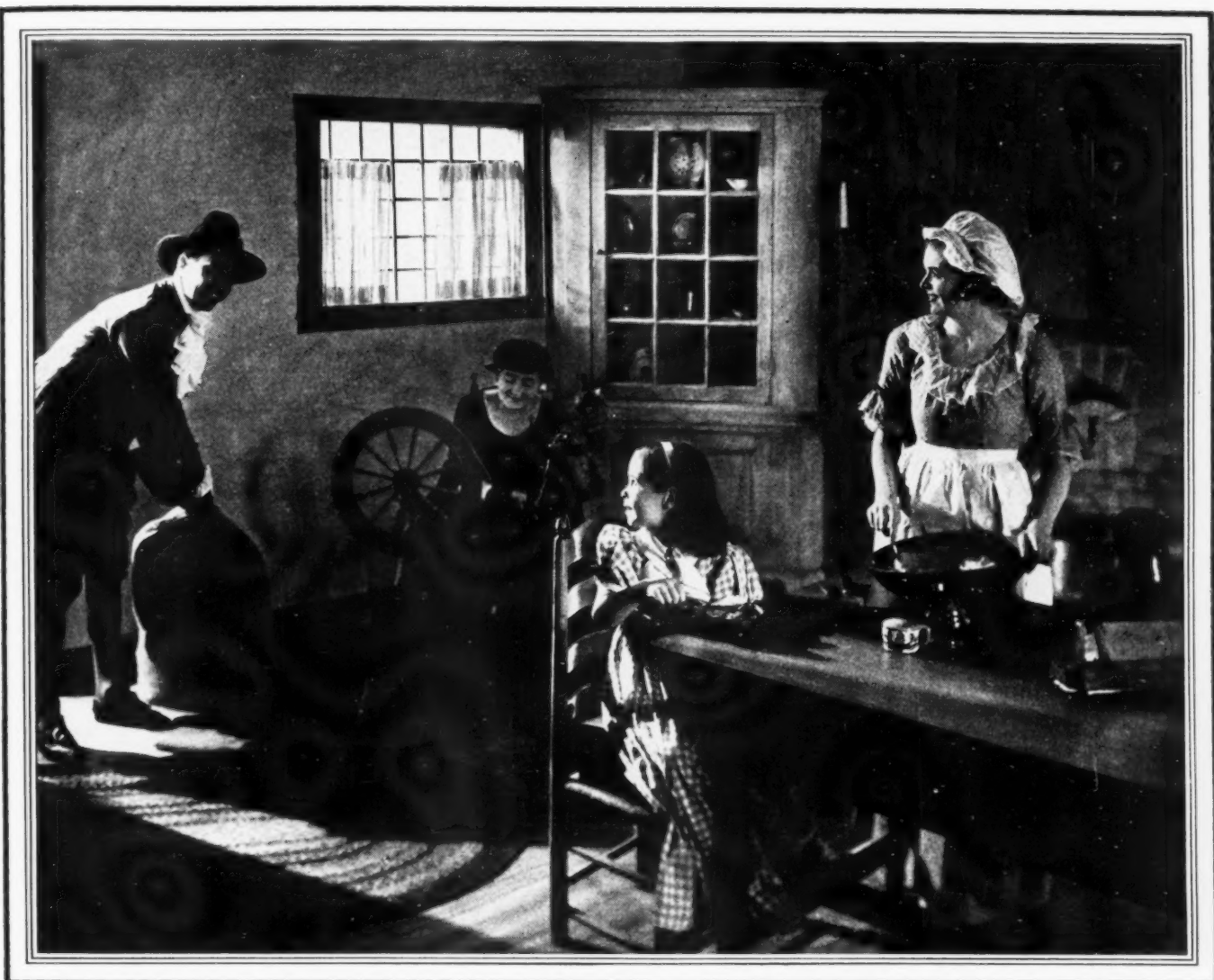
The reason we went was because the wife had said we could never amount to anything socially unless we knew how to dance well. She had been reading the ads, through Ruthrauff & Ryan, which showed pictures of the talented instructors, and which inferred that, whatever the cost, the knowledge was worth it.

We hemmed and hawed, until finally she told us one morning we could not come home that night unless we phoned Arthur Murray for an appointment.

We phoned, went over for a free examination, and learned that, whatever we lacked, we at least had a sense of rhythm. Six lessons of one hour each would cost \$35; 12 would cost \$60; 25 would cost \$100. The examiner did not want to scare us too much. She said we could learn the rudiments for \$35, but she inferred that to amount to anything we'd have to spend a couple of hundred.

At any rate, we started in on the 12-for-\$60 basis. They gave us a tall young girl from Georgia. We went into a sort of stall together, pulled the curtain, turned on some canned music and proceeded to learn to dance. We did this for an hour twice a week for several weeks, paying \$5 to a lady with a big book every time because, for some reason, we did not want to be in debt to Arthur Murray. The reason may have been that we figured that every time we showed up the girl got part of the \$5. She was a nice girl.

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# Have we forgotten what HOME means?

**D**ON'T think we're going to set this to soft music.

We just wanted to point out that *home life is home life*—whether in 1797 or 1937. Now—as then—the building of a house is just the *beginning* of a home.

Life goes on after the cabin is up. Day in, day out, there's meat and provender to be laid in, and a sight of cooking for hungry folks. (*Food products.*)

And a passel of cleaning and scouring and tubbing up the kids' clothes and tubbing the kids themselves. (*Soaps, cleansers, towels, etc.*)

Yes, and fixing to have enough covers cold nights, and enough bowls to eat out of daytimes. (*Bed linen, blankets, silverware, tableware.*)

And prettying up the inside of the place,

and maybe later adding on an ell so's the company won't have to sleep in the hay loft. (*House furnishings, remodeling products.*)

And some fine day, the old man pulling up with a new buckboard behind the sorrel, big enough for the whole family to pile in. (*Automobiles, tires, gas and oil.*)

• • •

*That's what a home meant. That—duly*

**THERE'S NO PLACE LIKE**

## The AMERICAN HOME

*America's No. 1 medium for advertisers who sell anything for the home*

modernized—is what it *still* means.

Not for everyone, of course. But for the kind of people who have found The American Home a boon and a Godsend in their homey lives. For the families (nearly a million now) who have welcomed a magazine devoted *completely, entirely and exclusively* to home and home living.

Land's sakes, what a buy for advertisers! (*See brackets!*)



# SALES management

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EDITORIAL STAFF: RAYMOND BILL, Editor and Publisher; PHILIP SALISBURY, Executive Editor; A. R. HAHN, Managing Editor; E. W. DAVIDSON, News Editor; M. E. SHUMAKER, Desk Editor; F. L. SULLIVAN, Production Manager.

ASSOCIATE EDITORS: JAMES R. DANIELS, LAWRENCE M. HUGHES, LESTER B. COLBY, D. G. BAIRD, MAXWELL DROKE, RAY B. PRESCOTT, L. R. BOULWARE, FRANK WAGGONER.

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But even to an associate editor of SM \$10 a week is a bit of money. Besides, although the girl was patient and conscientious, we weren't becoming less awkward very rapidly. So, after 12 lessons we decided not to go any more, and told them so.

We had missed once or twice before. Perhaps for the first week or two the teacher merely blamed it on "pressure of business." She seemed to think we'd have to relent.

Then she got worried, and wrote us a letter, longhand. She told us how much she had missed us, and hoped "art" and not illness was to blame. She said she was still holding our "standing" on her books. "Please don't disappoint me next Tuesday at two."

That was in June. We had intended at least to acknowledge her letter because, as we have said, she was a nice girl, but never got around to it.

A couple of weeks ago there came another from her, also on her own letterhead at "Arthur Murray's Studio." This one was even harder to resist. She mentioned how "awfully" she was "disappointed." She said she had "thought by this time we'd be doing running steps and twinkles and probably be going to a club.

"I know you're awfully busy, but don't you think you could spare one hour a week for me to make you a good dancer? You know if you stay away too long, you forget a lot of what you've learned."

In a postscript she pointed out (knowing how hot and bothered we had been over the business, even in the Spring) "the air conditioning is working beautifully!"

Enclosed was a business reply card. It was addressed to Arthur Murray himself. But on it our instructor had scribbled number 7-44. We guess that refers to her. We are her customer or ex-customer, and if we ever do go back we ought to be hers.

## Thoughts on Salesmanship

James T. Mangan, director of advertising and merchandising of the Mills Novelty Co., puts into words these thoughts, the fruit of his years of experience. They are known and practiced, consciously or unconsciously, by every successful salesman. But like all truths they cannot be repeated too often. Says Mr. Mangan:

If there's any statement a salesman can use which can kill a sale quicker than "You're absolutely wrong!" I'd like to know what it is.

"My idea of an agreeable person," said Samuel Johnson, "is a person who agrees with me." An agreeable salesman is a successful salesman.

"Every once in a while a buyer treats you with courtesy. Just every once in a while. But you can always treat every buyer with courtesy. Salesmanship is not a give and take proposition. It is entirely GIVE.

"I'm not a salesman," said Successful Sol, "I'm just a buyer's assistant."

Don't hesitate to make calls even though you're empty of ideas. You'll get plenty of ideas if you let the prospect talk and then Listen. In nearly every crucial sale, the thing that "pushes him over" is an idea that he himself supplied.

Just about the time that you get that holy feeling that you've "done a good day's work," remind yourself of this: *The human body has no energy limit.* If you've really worked today, you're in top form. Then why, for goodness sake, choose this time, the best time of all to make money, as the time to let down?

The best way to answer an objection is to dissolve it with a superior appeal.

I picture the perfect salesman as thorough, comprehensive, logical, complete. And yet never have I found a star salesman to be complete or comprehensive. He throws away about 95% of his selling arguments. He has only one or two "angles" to talk about, but these angles are always clear, understandable, and practical. Undoubtedly he has become a star by doing a few things well.

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# **A PROSPECTUS**

**for a**

# **NEW MAGAZINE**

## **THE PURPOSE . . .**

To see life; to see the world; to eyewitness great events; to watch the faces of the poor and the gestures of the proud; to see strange things—machines, armies, multitudes, shadows in the jungle and on the moon; to see man's work—his paintings, towers and discoveries; to see things thousands of miles away, things hidden behind walls and within rooms, things dangerous to come to; the women that men love and many children; to see and to take pleasure in seeing; to see and be amazed; to see and be instructed;

Thus to see, and to be shown, is now the will and new expectancy of half mankind.

To see, and to show, is the mission now undertaken by a new kind of publication, *THE SHOW-BOOK OF THE WORLD*,\* hereinafter described.

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\*Actual name will appear on Vol. 1, No. 1.

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## THE NEED & OPPORTUNITY . . .

### I

In the course of a week the U. S. citizen sees many pictures. He sees a few in the newspapers and more on Sundays. He may see travel pictures in travel magazines, art pictures in art digests, cinema pictures in cinemagazines, scientific pictures in scientific journals. But nowhere can he see the cream of all the world's pictures brought together for him to enjoy and study in one comfortable sitting. No publication devotes itself directly, without compromise and without conflicting purposes, to the business of supplying the biggest and best package of pictures which it is possible to produce at a popular price. Nowhere, therefore, does the insistent demand for pictures meet a direct and fully satisfying supply.

### II

Pictures have become a dynamic power in the Fourth Estate of the Twentieth Century. But, although people demand and get pictures in nearly every periodical; although the gravure section of the *New York Times* is the section most "read" by the distinguished clientele of that journal; although pictures have made *FORTUNE* famous; and although the superlatively successful *Daily News* is commonly regarded as a picture paper - - -

Nevertheless, people are missing relatively more of what the camera can tell than of what the reporter writes. With more or less success they "follow" the news—i.e. the written news. They scarcely realize how fascinating it can be to "follow" pictures—to be for the first time pictorially well-informed.

For this there are many reasons. Pictures are taken haphazardly. Pictures are published haphazardly. Naturally, therefore, they are looked at haphazardly. Cameramen who use their heads as well as their legs are rare. Rarer still are camera editors. Thus, many a newsworthy picture which can be taken is not taken. Thus, too, only a fraction of the best pictures of widest interest are brought to the attention of any one alert U.S. citizen. And almost nowhere is there any attempt to edit pictures into a coherent story—to make an effective mosaic out of the fragmentary documents which pictures, past and present, are.

The mind guided camera can do a far better job of reporting current events than has been done. And, more than that, it can reveal to us far more explicitly the nature of the dynamic social world in which we live.

### III

**THE SHOW-BOOK OF THE WORLD** undertakes to meet this challenge, this opportunity.

It proposes to be the biggest picture show on earth—and the most vividly coherent. It proposes to scour the world for the best pictures of every kind; to edit them with a feeling for visual form, for history and for drama; and to publish them on fine paper, every week, for a dime.

**SHOW-BOOK** takes for its field not all the news but all the news which now and hereafter can be seen; and of *these seen events it proposes to be the complete and reliable record.*

**SHOW-BOOK** takes for its field all the world which may be known by seeing—and it promises to reveal, every week, aspects of human life and work which have never before been seen by the camera's miraculous second sight. By giving to pictures their own magazine, **SHOW-BOOK** intends that the camera shall at last take its place as the most convincing reporter of contemporary life.



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## EDITORIAL CONTENT

### I. THE SOURCES . . .

Raw material for the world's first showbook already exists in prodigious quantities. Each week some 5,000 news photographs are brought into being by the four major American newspicture services alone. Cascading into the offices of SHOW-BOOK this flood of pictures may be thought of as the main stream of optical consciousness of our time. Harnessing this stream, filtering out the trite, the banal, the repetitious, to isolate perhaps fifty or sixty really memorable pictures, is the beginning of SHOW-BOOK's function. Tributary to the main stream is the output of about a dozen minor U.S. photo services whose findings are not widely published. With these services, SHOW-BOOK will cooperate in exploring many specialized fields.

Foreign lands are in many instances well abreast of America in photography, and to their richest sources SHOW-BOOK will extend contractual pipelines—into camera-crazy Japan, into Germany, Italy, Russia. In London it will establish a picture-seeking editor to get the best from Europe's cameras.

Unorganized and uncounted is the world's great company of freelance photographers who, just as soon as the nature of the world's first showbook becomes apparent, may be counted upon to offer SHOW-BOOK an inexhaustible, bubbling supply of original and independent work. Already SHOW-BOOK has made arrangements with scores of well-known freelance picturemakers.

Finally, SHOW-BOOK will go (has gone) into the business of picture-making on its own account. A corps of crack photographers, at home and abroad, some on salary, some at call, some "candid" specialists, some portraitists and interior specialists, some technicians and some dare-devils, will be ready to march out and make for SHOW-BOOK pictures which might otherwise not be made, either through lack of inspiration, of funds or of editorial contact.

### II. THE FORMS . . .

Record and Revelation being the two shining words in SHOW-BOOK's charter, its table of contents will be built around two cornerstones.

1. First of these—for the Record—is the *Big Newspicture Story of the Week*. Not necessarily the biggest news story of the week, but the story which most potently combines historical significance and pictorial punch—the biggest news that is best recorded by the camera. This story may be an Assassination, or a Flood, or a Horse Race, or a Trial by Jury. The cameras were there—scores of cameras. So were plenty of able reporters. In order that the story may be seen as thoroughly as it may be read, SHOW-BOOK will lay hands on all the pictures taken by all the cameras; will compare them, select the very best, shape, size and arrange them thoughtfully, caption them with clarity, color and force, and give them plenty of space on four to ten pages of high-grade paper.

2. Second major feature of each issue will be SHOW-BOOK's own *Big Special Feature*—a four to ten page essay into some subject of major current

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interest and significance which has not before been explored pictorially. The exploring will be done by SHOW-BOOK's own editors and cameramen, or by cameramen directed at long range by SHOW-BOOK's editors. As distinguished from the function of recording a big piece of news, the function here will be Revelation—taking you intimately into the life of a famed personage, be it Shirley Temple or the Pope; or intimately into the inner workings of a celebrated institution, such as The Jockey Club, The Japanese Army, Alcatraz, Vassar or Father Divine's Heaven; or exploring for you a newly current phenomenon, such as Automobile Trailers, Television, Ping-Pong, or Europe's frantic war-scared enthusiasm for gas masks. In this feature, SHOW-BOOK, the diligent reporter will become a creative student.



Supplementing these major features, the balance of SHOW-BOOK's contents will fall in varying degrees under the headings of Record and Revelation. Forms will vary as pictures available vary, but certain secondary features will remain at least functionally constant. There will be:

**3. *Great Photographs Which You Will Never Forget:*** (Each a full page.) Of these there may be only two or three a week. Sometimes a Great Photograph may be a part of a pictorial story, sometimes it may stand in stark loneliness.

**4. *A Portrait:*** This will be the picture-story of SHOW-BOOK's Man-of-the-Week—politician, tycoon, sportsman, crooner or bishop. It will show candid pictures of his characteristic expressions. It will show him at every stage in his life from birth to present. It will take you into his home, his office, his club, will show you whom he meets and how he lives. And besides the pictures there will be a full portrait in words, this being one of the features which will set off the pictures with text.

**5. *Change:*** The shifting mores and fashions of the world will be recorded under this broad heading. Its name implies the flexible character of the section. One week it may be radical change in women's styles—suppose that Schiaparelli, Lanvin and the rest of the *haute-couture* suddenly turn out a collection of evening dresses knee-high. It may be some basic change in automobile design like the first Airflow models. It may be news in interior decoration, in dinner table procedure, in small house architecture, in men's golf clothes. It may be cellophane or ping-pong, lastex or trailers, skiing or ant palaces.

**6. *Movies:*** (Two to four pages.) A movie is a story told in pictures. A story in pictures is what SHOW-BOOK likes to tell. Therefore, it will tell, perhaps not fifty-two a year, but certainly most of the notable cinema stories of the year—in pictures.

**7. *Theatres:*** SHOW-BOOK will send the best stage photographers to Broadway openings and bring you the best scenes from the season's best plays. Amazing it is but true, that no one made a picture of the great show-stopping

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tableau in Act III of *Victoria Regina*. SHOW-BOOK will see to it that thereafter such sights are not overlooked.

**8. Art:** It stands to reason that a painting or sculpture or building should be seen rather than heard about (or written about). Every week SHOW-BOOK will bring you the best contemporary art.

**9. The President's Scrapbook:** Two pages SHOW-BOOK will reserve for pictures which it thinks ought to interest the President of the United States: himself eating peanuts, his new swimming pool, his wife on roller skates, the dam he is building in Oregon, his appointee to the Supreme Court, the assassin who almost got him, the meanest cartoon, a boondoggle, his favorite house-guest.

**10. Maps:** Nearly every issue will carry a one or two-page map. This will go with one of the big stories. Scattered through the issue, as integral parts of other stories, will be smaller maps, explanatory drawings, charts, diagrams. These will serve the double purpose of clarifying the story and of giving the eye a change from an array of photographs.

**11. Drawings:** Another visual pace-changer will be the illustrative (as distinct from the explanatory) drawing. A coronation in shadowy Westminster Abbey, a Supreme Court Justice reading a historic decision, the fall to death of a trapeze artist in the circus—perhaps no camera may catch these. SHOW-BOOK will send staff artists to make drawings of stories which cannot be satisfactorily photographed, which may have to be pieced together from the accounts of many eye-witnesses.

**12. Parties:** SHOW-BOOK will crash the Party-of-the-Week. It may be Muriel Van Astorbilt's debut. It may be a stately affair in Hollywood or the gaudy birthday of an Indian Maharaja. It may be a swank yachting party or a White House reception; an Alpine picnic with Realmleader Hitler, or the Reunion of Princeton '16.

**13. March of Time Sequence:** Every month "The March of Time" spends much time and money to cover three important subjects in Motion Pictures. Frequently—perhaps every month—SHOW-BOOK will appropriate the best shots from "The March of Time's" best sequence and tell the same story in "stills" (with due credit to "The March of Time").

**14. FORTUNE Pictures:** Dollar-a-copy FORTUNE has an entrée into industrial sanctums which no other magazine could have. When FORTUNE gets a remarkable set of photographs to illustrate one of its stories, SHOW-BOOK may use them at the same time, may use more of the set than FORTUNE can.

**15. Private Lives:** In exposing to light the loves, scandals and personal affairs of the plain and fancy citizens, the mighty picture-getting organization of



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the U.S. Press reaches maximum efficiency. SHOW-BOOK will cull out the best eight or ten snaps of the week and around them will write a light, good-tempered "colyumist" review of these once-private lives, as they figure in the Press. (But SHOW-BOOK will dig no dirt.)

**16. Cartoons:** (One page—and perhaps more among the ads.) A selection of the world's best current cartoons. An old magazine job, but one which is not now being done by any popular periodical.

**17. Exposures:** Every week hundreds of human beings—some of them newsworthy—reveal their exhibitionist traits by showing off before a camera—sometimes with appalling results. SHOW-BOOK will save a half page or so in the back of the book for the silliest of these self-exposures.

**18.** When SHOW-BOOK has told its Number One Newspicture Story of the Week (see above), there will always be three or four or five other straight pictorial news stories. These will be told on one, two or three pages each. And there are always single newspictures which tell their stories alone. For these, a two or three-page gallery.

**19.** Besides its Big Special Feature (see above), SHOW-BOOK will send cameramen to make pictorial takeouts of three or four smaller subjects which may suddenly acquire some peculiar timeliness.

**20. Text Features:** Every week there will be published in the front of the magazine, signed by The Editors, a review of the week's pictures. The Editors will mentally sort out for the reader what the camera brought in and comment thereon. It will refer to many of the pictures and groups-of-pictures in the current issue. It will touch on news events which the camera failed to cover, or covered poorly. Thus, in addition to the uncritical pleasure of seeing pictures, SHOW-BOOK will give its readers a sense of what pictures are all about, what they add up to and how in various ways they have contributed to a knowledge of the contemporary world. In the back of the magazine will be published a less important department which will tell interesting or amusing stories of how various pictures in the issue came to be taken.

**21. The Unpredictable:** Above has been given the basic framework of the magazine, SHOW-BOOK—the biggest printed picture show on earth and the biggest dime's worth on any newsstand. But occasionally SHOW-BOOK will break away from this framework. It may publish a portfolio of a dozen super-magnificent industrial photographs. Or it may devote two-thirds of an issue to the newly armed Armies of Europe or to a candid tour of Hollywood. On the eve of a great political election it might devote a whole issue to a pictorial review of the campaign. So that while SHOW-BOOK's readers will usually know what to expect they will never be quite sure that they will not get a whacking surprise.

●

**TIME Incorporated    135 East 42nd St., New York**

# EVERY ADVERTISING SALESMAN

knows the **PROBLEMS** presented by this **CHAIN-of-SALE**

**V**ERY seldom is the purchasing of advertising space or time, or sales helps or direct mail, a one-man job. The subject will be *considered* at the next conference, or Jack will see Bill, or it's O.K. if the *committee* will approve.

Surveys by White and Arnold, Starch and others, indicate that usually four or five men are consulted. Sometimes the entire sales organization is given a chance to vote.

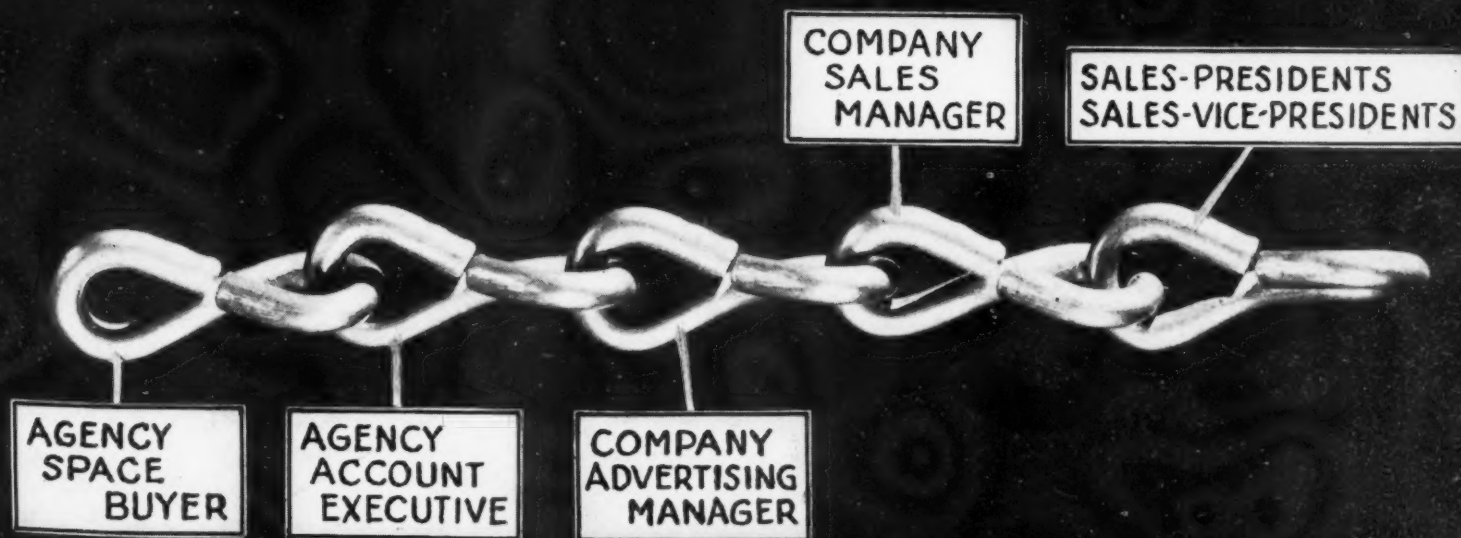
Have a heart, Mr. Publisher, *et al!* Don't expect the salesmen to be able to see everybody who must be seen, and at the particular *moment* when they should be seen. It's downright impossible.

Furthermore, you're taking a long chance when you leave it to "the other fellow" to do your selling for you—when, for example, you present

the proposition to one of the links in the chain below, and trust him to see to it that the other four get the story straight. He's likely to be either too busy, or not sufficiently interested or informed to make a real *fight* if somebody raises an objection.

Business paper advertising will help you sell. But the interests of the men who make up the five links are diverse. No one publication has adequate influence with all. Study each link separately. Rate the publications on their influence with each one. Then tell your story—your way—to these men in the magazines *they* like best.

**SALES MANAGEMENT** *leads in readership and influence with the sales executives*—the sales managers and sales-minded officers. It therefore should be considered as a "must."





GRAY-O'REILLY

## Building a Page

**T**HE electrician, the carpenter, the plasterer, the painter, the paper-hanger, are building a page in Good Housekeeping.

The manufacturers of textiles, rugs, linoleum, furniture and accessories all play their parts.

The editorial pages in Good Housekeeping on Furniture and Decorating consist of photographs and descriptions of rooms actually constructed and fur-

nished in the publication building in New York City.

Why go to the trouble to build rooms, furnish them, and photograph them? Because that is the one sure way to lift a decorating idea out of the realm of theory into practical reality—Good Housekeeping's one basic editorial theme.

A magazine so usefully edited is a good advertising medium.

## Good Housekeeping

[EVERYWOMAN'S MAGAZINE]



★

★

★

★

★

★

New York, N. Y.

# GENERAL AND HOUSEHOLD ADVERTISERS



## Win This Buyer Now . . . She'll Use Your Product 10 Years Longer

**T**HIS young woman will buy 10 years longer than the average reader of the six older women's magazines because at 25.5 years of age, she is that much younger than they. At this age, she has formed few, if any, hard and fast brand preferences. She is, therefore, far more easily won over to any given brand than the woman 10 years her senior. How could it fail to be more profit-

able to advertise to this younger buyer, so much more easily influenced and with so many more spending years still ahead of her? She is easier to reach in still another way too—through Fawcett Women's Group at the lowest page rate per 1000 in the women's field. Why not get all the facts about this remarkable opportunity—call or write the nearest office.

**MORE VITALLY IMPORTANT FACTS** will be found in an amazingly thorough survey of Fawcett Group readers—tells their ages—size of families and incomes—what they buy and what they pay for it—facts you ought to know. If you have not yet received your copy, write for it at once; as the supply is limited.

## FAWCETT WOMEN'S GROUP

SCREEN BOOK • SCREEN PLAY • MOTION PICTURE • MOVIE CLASSIC • HOLLYWOOD  
TRUE CONFESSIONS • ROMANTIC STORIES • ROMANTIC MOVIE STORIES

**FAWCETT PUBLICATIONS, Inc.**

1501 Broadway, New York • 360 N. Michigan Avenue, Chicago • Simpson-Reilly, 536 S. Hill Street, Los Angeles  
Simpson-Reilly, 1014 Russ Bldg., San Francisco

### REPRESENTATIVE FWG ADVERTISERS

Admiration Hosiery  
Alviene School of Theatre  
American Hosiery Mills  
American School of Music  
Beech-Nut  
Burlington Railroad  
Cadet Whitener  
Camel Cigarettes  
Catalina Swim Suits  
Chesterfield Cigarettes  
Clorox Jiffy Seal  
Clorox Shade Corp.  
Crosley Radio  
Crosley Shelvador  
Dennison Mfg. Co.  
Dunder Shoes  
Fashion Frocks, Inc.  
Federal Schools  
Fels-Naptha  
Fleischmann's Yeast  
Gantner & Mattern Swim Suits  
General Electric (Mazda Lamp)  
Greyhound Lines  
Hanson Scale Co.  
Harford Frocks  
Hump Hair Pin Co.  
Hygeia Nursing Bottle Co.  
Industrial Rayon Corp. (Spunlo)  
International Correspondence Schools  
Jantzen Swim Suits  
Kalamazoo Stove Co.  
Kendall Mills  
Lane Bryant  
LaSalle Extension University  
Lettie Lee (Dresses)  
Linit  
Lucky Strikes  
Lux Flakes  
Maiden Form Brassiere Co.  
Midwest Radio  
Mountain Mist Quilting  
National Trailways Bus System  
Nesco Enamelware  
Northern Pacific Ry.  
Northwestern Yeast  
Olson Rug Co.  
Parker Pen Company  
Parker Quink  
Perfolastic, Inc.  
Philip Morris Cigarettes  
Postal Life Insurance  
Remington Rand, Inc., Typewriters  
Resinol  
Rhythm Step Shoes  
Rogers 1881 Silverware  
Royal Typewriter Company, Inc.  
Skour-Pak  
Slumbernest Mattress  
Smith, L. C., Typewriter  
Southern Pacific Ry.  
Stein Company, A., Foundation Garments  
Univex Cameras  
Whiting & Davis  
Wrigley's Gum

SALES MANAGEMENT

# Significant Trends

As seen by the Editors of SALES MANAGEMENT for the fortnight ending September 1, 1936.

## A Look at the Records

Manufacturing, total industries .....	12.7%
Manufacturing, durable goods .....	27.3%
Employment, total industries .....	4.3%
Employment, durable goods .....	10.0%
Department store sales .....	10.0%
Construction, private .....	60.9%
Transportation, car loadings .....	11.5%
Net earnings .....	62.6%

● ● ● Increased earnings, plus the operation of the undistributed profits tax, are resulting in a tremendous increase in dividend payments. A check made the other day of 27 average corporations showed regular and extra dividend distributions during the last few months on a par with and in some cases above that of 1929. As viewed by tax experts, this means that most large corporations do not expect to pay much of the new tax but will prefer to distribute it in dividends. Hence, so far as the Administration is concerned, its principal objective of the new tax bill is achieving its purpose. The danger lies in corporations failing to build up needed reserves for a future slump.

● ● ● A summary of July business made by the National Industrial Conference Board shows that it was the fifth consecutive month to show an increase in industrial activity. Orders for machine tools were only 3.7% below 1929. Automobile production increased 31.7% over last year and retail sales were up 23%. Steel ingot production was up 73% above last July. Sales of domestic copper were larger in July than for any month

Even more significant than the extent of the current recovery as a whole is its increasing breadth. Here are a few of the first half gains over a year ago:

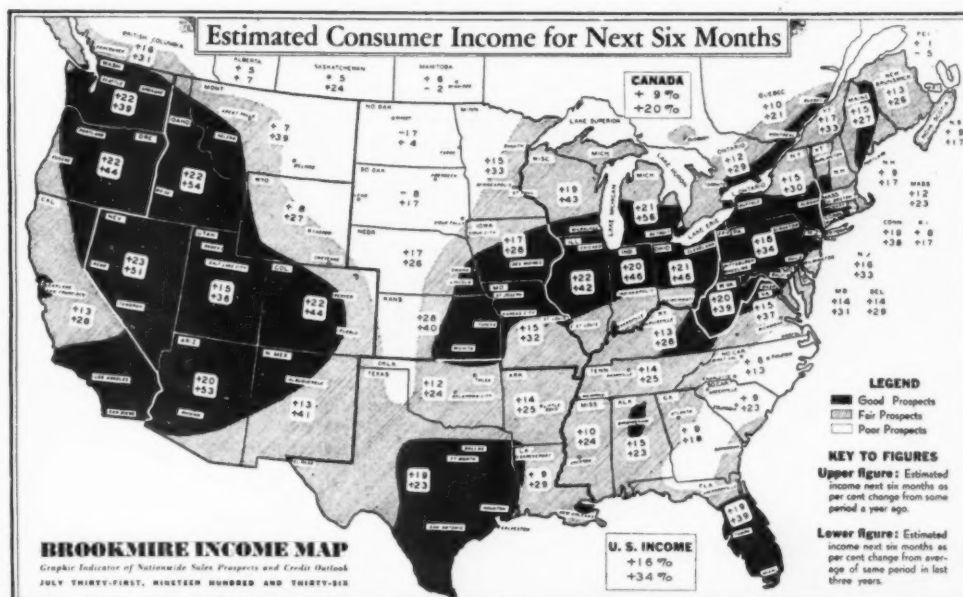
on record and for the first seven months were up 113% over last year. Total building contracts (F. W. Dodge figures) show an increase of 85.1% as against last year.

● ● ● Hart, Schaffner & Marx have introduced a sliding scale of advertising allowances which they believe will comply with the provisions of the Robinson-Patman law. The allowances will be available to dealers based on advance purchases of the stores and must be matched by a corresponding appropriation by retailers. The plan involves only those accounts which place advance orders of at least 250 units per season. On advance orders of 250-300 units stores will be allowed 1% of the total value of the order for newspaper space. On 301-400 units, 1.5% will be allowed; on 401-500, 2% and above that, 2.5%.

● ● ● Fear has been expressed in some quarters that the Robinson-Patman Act will result in a big increase in private brand business, especially the chain brands. This may or may not turn out to be true. But we consider it rather significant that seven large coffee factories which concentrate on private brands have recently been offered for sale to one of the large packers of a widely advertised national brand.

● ● ● The NRA is by no means dead and buried. New industries are being added weekly to the list of those which have formed voluntary organizations. Just the other day the National Coat and Suit Industry Recovery Board held a transcontinental convention over 16,900 miles of telephone wire, symbolizing the welding of the industry into a single unit through a "voluntary little NRA," designed to uphold fair trade practices and labor standards. The chairman of the Board claims that it has succeeded in laying the groundwork for a structure of public consciousness of the Consumers' Protection Label, which signifies that the garment to which it is attached has been made under fair working conditions.

Business conditions have undergone a considerable change since our publication of the Brookmire Income Map Bulletin in the issue of July 15. The black, or good prospect area, has broadened out in the Far West, Texas, and Florida, while the white space—poor prospects—has grown in the drought area. Total estimated income for the next six months is now 16% ahead of the year before as against only 14% a month and a half ago. According to the Brookmire estimates, the following states, with increases of 20% or more, should be highly resultful territories for intensive cultivation: West Virginia, Ohio, Indiana, Michigan, Illinois, Kansas, Colorado, Arizona, Idaho, Nevada, Oregon and Washington.





## Store Sales at New High

The Federal Reserve Board index of department store sales for July shows an increase from 88% of the 1923-1925 average in June to 91% in July. This level is the highest since the middle of 1931 and compares with an average of 79% during 1935. Actual sales in July were 14% larger and for the first seven months of the year 11% larger than in the corresponding periods of last year. Better than average percentage increases for July were shown in the following districts: Dallas, 22; New York, 17; Cleveland, 16; Chicago, 16, and Richmond, 15.

• • • Daily average sales of variety stores for July were about 19% higher in dollar volume than for the same month last year (Department of Commerce figures), while retail sales in independent stores in typical mid-western states showed percentage increases as follow: Ohio, 26; Indiana, 21; Illinois, 18, and Wisconsin, 16.

• • • In the usually dull month of August steel mill production is running at 72.5% of capacity, a new high for the year; and, considering the increase in production facilities since 1929, the actual output is almost up to the figures for that year. Since steel is the most widely used metal as a raw material for other products, it reflects the ebb and flow of industrial activity and particularly that of heavier lines. Recently the recovery seems to have definitely entered the phase of the cycle when the tendency is in the direction of increasing demand for the heavier types of steel needed by capital goods industries.

• • • A New York columnist started the story that Montgomery-Ward would soon sponsor a low-priced light

car that would get 40 miles out of a gallon and would be sold exclusively through their stores. We asked our Chicago editor to check up on it. His cryptic report is as follows: "Monkey Ward says that the guy who started the auto story is nuts. They are inclined to be peevish about it."

## Reversing an Elephant

Commerce Commission for the reduction are reported to be wondering what to do next. The New York Times reports, "One difficult aspect of the situation is said to be a lack of suggestions as to means for withdrawing the suit gracefully. The problem was described by a railway official as comparable to the task of backing an elephant out of a stall too tight for him."

• • • The automobile companies have done pretty well by us owners, as shown by the following table of average F.O.B. prices of the least expensive closed four- or five-passenger models in the United States:

	Per Car	Per Pound	Per Horsepower
1925 .....	\$887	\$38	\$27.7
1929 .....	743	.28	14.7
Nov., '35-Feb., '36.....	603	.21	7.0

• • • A recent issue of American Can Co.'s "The Keglined Merchandiser" shows pictorially how a new industry has developed in record time. In June, 1935, two brewers had just begun to market their beer in that company's cans. By July, 1936, they were able to photograph 72 brands then on the market.

## Industrial Corporation Profits for First Half Year

Net profits are shown after depreciation, interest, ordinary taxes, and other charges and reserves, but before dividends.

Net worth includes book value of outstanding preferred and common stock and surplus account at beginning of each year.

(In Thousands of Dollars)

No.	Industry	Net Profits Half Year		Per Cent Change	Net Work January 1		Per Cent Change	Annual Rate of Return %	
		1935	1936		1935	1936		1935	1936
5	Amusements .....	\$ 8,074	\$ 9,429	+ 16.7	\$191,395	\$202,382	+ 5.7	8.4	9.3
1	Autos—General Motors .....	83,730	140,573	+ 67.8	872,485	930,667	+ 6.7	19.2	30.2
11	Autos—Other .....	14,903	37,518	+151.7	267,255	280,105	+ 4.8	11.1	26.6
23	Auto Accessories .....	15,833	20,014	+ 26.4	178,479	195,587	+ 9.6	17.7	20.4
6	Baking .....	6,953	10,187	+ 46.5	237,199	236,855	— 0.2	5.8	8.6
13	Building Materials .....	5,729	9,618	+ 67.8	221,295	225,536	+ 1.9	5.1	8.5
13	Chemicals .....	44,518	68,906	+ 54.7	968,723	990,250	+ 2.2	9.2	13.9
8	Coal Mining .....	1,463	811	— 44.6	83,762	78,013	— 6.9	3.5	2.0
8	Electrical Equipment .....	19,386	29,514	+ 52.2	599,865	612,504	+ 2.1	6.4	9.6
17	Food Products—Misc. ....	35,565	44,007	+ 23.7	675,836	683,826	+ 1.2	10.5	12.8
14	Household Goods & Sup. ....	4,738	8,241	+ 73.9	162,926	160,546	— 1.5	5.8	10.2
1	Iron & Steel—U. S. Steel .....	D-2,936	16,239	+ ...	1,840,532	1,564,373	—15.0	...	2.0
18	Iron & Steel—Other .....	19,880	28,653	+ 44.1	1,379,319	1,413,790	+ 2.5	2.9	4.0
18	Machinery .....	5,419	10,455	+ 92.9	141,538	144,504	+ 2.1	7.6	14.4
14	Merchandising .....	5,604	6,438	+ 14.9	243,267	247,463	+ 1.7	4.6	5.2
7	Mining, Non-ferrous .....	9,847*	10,684*	+ 8.5	151,208	153,569	+ 1.5	13.0	13.9
5	Office Equipment .....	6,597	7,933	+ 20.2	110,988	110,240	— 0.7	11.9	14.2
7	Paper Products .....	1,122	1,258	+ 12.1	78,622	77,388	— 1.5	2.8	3.2
17	Petroleum .....	23,764	46,526	+ 95.7	1,191,623	1,211,040	+ 1.6	4.0	7.6
5	Railway Equipment .....	750	5,215	+595.3	334,862	319,649	— 4.5	0.4	3.2
11	Textiles and Apparel .....	3,058	4,813	+ 57.2	68,129	72,274	+ 6.0	9.0	13.3
42	Miscel. Manufacturing .....	26,230	32,910	+ 25.4	520,746	552,168	+ 6.0	10.1	11.9
21	Miscel. Services .....	778	4,442	+470.9	292,593	290,895	— 0.6	0.6	3.0
285	Total .....	\$341,005	\$554,384	+ 62.6	\$10,812,647	\$10,753,624	— 0.5	6.3	10.3

D—Deficit.

\*Before certain charges.

Compiled by the National City Bank of New York.



# Lens



**Trailer Leads to Sales:** Binks Manufacturing Co., Chicago, maker of spray equipment for dry cleaners and laundries, brings its samples to prospects' doors with this trailer. An extension cord to any light socket sets the machinery to work.



**Getting in Gear:** From these cogs will come the mechanical giants to make parts for De Soto cars. Looking over the blueprints for a new 40-acre De Soto factory are L. G. Peed, v.p., at left, and J. Frank Hughes, plant superintendent.



**Much in Little:** McKesson & Robbins' store display stand occupies only ten square feet of floor space, holds nearly 50 feet of display shelves. Nearly any type of drug product may be arranged on it.



**Penman:** Charles P. Schoen, left, is boosted to v.p. in charge of sales of the Wahl Co., Chicago. He has been with the Eversharp concern since 1925, rising through the ranks from a district sales manager-ship.



**As You Like It:** Hobart's latest coffee mill grinds beans to any size merely by turning the guide selector. It occupies 30% less space than previous models; can be shifted about a store easily; looks handsome in black plastic housing. Zinc alloy die castings are by Doehler Die Casting Co. Housing of Plaskon.



**Jujubes:** Mickey Mouse, apparently, has endless versatility. Here he is sponsoring a new candy, soft jujubes. Ph. Wunderle, Philadelphia, is the manufacturer. The box is by Gair.



**Promoter:** J. M. McKibbin is put at the head of Westinghouse's new sales promotion department. All apparatus sales promotions, except the merchandising division, will be coordinated under him. His Westinghouse service stripes date from 1920.



Chevrolet's Quality Dealer Planning Committee in session. Left to right: R. W. Hill, mgr., Chicago zone, Chevrolet Motors; G. I. Smith, Great Lakes region mgr., Chevrolet Motors; J. W. Dineen, director, sales section, General Motors; N. C. Dezendorf, v.-p., GMAC, New York; Fred Donner, assistant to president, General Motors; W. E. Holler, v.-p. and gen. sales mgr., Chevrolet; A. L. Deane, president, General Motors Holding Corp.; Felix Doran, Jr., asst. gen. sales mgr., Chevrolet; W. H. Leach, v.-p., GMAC at Detroit.

# Chevrolet Cuts Retail Outlets to Insure Dealers' Profits

Under a new system whereby every dealer is insured enough territory and enough sales potential to make money, Chevrolet during the first six months of '36 dropped 600 dealers. During the same period its sales hit a new all-time high.

**C**CHEVROLET has lost over 400 dealers during the past three years!"

Such is the "horrible" rumor that's going the rounds of the automobile industry. And it's true! Furthermore, W. E. Holler, vice-president and general sales manager of Chevrolet, fully expects to lose many more dealers before the end of the year.

Some say he is mad. His friends say—and he admits—that he is a heretic in his sales doctrine. That is, he teaches and practices a doctrine that is diametrically opposed to the long-established and accepted tenets of the industry. He is actually and deliberately reducing the number of his dealers, instead of multiplying them as rapidly as possible!

That is startling to one who has always associated number of outlets with volume of sales. Even more amazing is the result. The smaller number of Chevrolet dealers is selling

more cars than any number of such dealers ever sold before. That is like water flowing uphill. It just doesn't agree with accepted ideas of the "laws of economics" or something. Nevertheless, it is quite emphatically true. The facts:

During the first half of 1936, Chevrolet sold more new cars, more used cars, and more trucks, separately and collectively, than during any comparable period in history. Sales of new cars increased 52.2% as compared with the first half of 1935 and were 16.2% greater than during the comparable period of 1929. Truck sales totaled 119,375, as compared with 102,321 during the first half of 1929, the previous record. And used cars—well, there just isn't any comparison. Sales totaled 1,146,560 for the period. They totaled 238,050 during the month of June alone! But the most astounding fact of all is that stocks of used cars in dealers' hands

actually declined during the very period when new car sales were breaking all records and were below "normal" at the end of the period. The used car apparently no longer is a problem to Chevrolet.

Just in case some reader doesn't realize the significance of these comparative statistics, we might add that the industry is not breaking records this year. Estimated total sales for 1936 are 3,800,000, as compared with an actual total of 4,407,304 in 1929.

Many factors doubtless have combined to give Chevrolet such leadership, but none, in Mr. Holler's opinion, has contributed more than his Quality Dealer Program—his policy of limiting the Chevrolet franchise to fewer dealers and helping them to become better ones.

This is not merely an established policy; it is an established activity. There is a quality dealer department at the home office, with a quality dealer organization in the field, and this department is separate and distinct from all others. It gathers voluminous statistics, but it is not the statistical department; it promotes sales, but it is not the sales department; it improves service, but it is not the service department. Its sole function is to build a quality dealer or-

ganization in which every dealer will be assured of permanence, stability and security.

The department was established in December, 1933, but the first year was spent chiefly in deciding what to do and how to do it, and in preparing a field organization to do the job. Actual field work has now been in progress about 18 months.

The program contemplates a thorough and systematic survey of each of the principal markets and such readjustments in those territories as the surveys reveals to be necessary. Data gathered in the survey are charted, graphed, and mapped and a ten-year history of the territory is compiled, so that every decision made is based on facts, rather than on personal opinion.

Each such survey includes ten major studies:

1. The size of the market—passenger car and truck;
2. Location of all shopping centers;
3. The shift of population from year to year;
4. The classification of population by income;
5. The industries that support the population;
6. The strength and age of Chevrolet competition there;
7. The location of the new and used car market, block by block, throughout the city;
8. Present, past, and future sales possibilities for Chevrolet dealers;
9. The proper location of new car salesrooms;
10. The proper location of used car places of business.

Out of these surveys, each of which requires weeks to complete, come definite recommendations, concerning such matters as the number of Chevrolet dealers the market will properly support, the most advantageous location for each dealer, the size of each such dealer's contract, and the changes to be made.

### Use a Fine Tooth Comb

All this is the ideal set-up for that territory. But facts must be faced, hence the survey goes on to include a study of each existing dealer's business, department by department, stressing such features as capital, management, location, sales and service facilities, and man-power.

The surveys completed, the material is coordinated and visualized in many ways, then is submitted to the Quality Dealer Planning Committee in Detroit. The personnel of this commit-

tee is particularly interesting because it includes representatives of every branch of the business—not just sales executives. The members are:

A. L. Deane, president, G. M. Holding Corp.; Fred Donner, assistant to president, General Motors Corp.; N. C. Dezendorf, vice-president, G. M. A. C.; Wade Leach, vice-president, G. M. A. C.; J. W. Dineen, director of sales, General Motors Corp.; W. E. Holler, vice-president and general sales manager, Chevrolet; H. B. Hatch, assistant general sales manager, Chevrolet; Felix Doran, Jr., assistant general sales manager, Chevrolet; the Business Management Department of Chevrolet; the Quality Dealer Department of Chevrolet; and the Chevrolet regional manager, zone manager, and city manager in charge of the city under consideration.

This committee meets once a month and spends one to three days in studying each survey and reaching conclusions. It first studies the market, then the suggested ideal set-up, then the existing conditions, and finally it decides what must be done to bring actual conditions as near the ideal as possible.

For example, the survey of Metropolitan New York recommended an ideal set-up numbering only 51 dealers, whereas there actually were 64 Chevrolet dealers in the territory at



W. E. Holler

Based on an Interview  
by D. G. Baird with

### W. E. HOLLER

Vice-President and General Sales  
Manager, Chevrolet Motor Co.,  
Detroit

the time. That meant that 13 existing dealers should be eliminated—and they have already been eliminated.

"Don't get the idea," Mr. Holler exclaimed at this point, "that we are just kicking out incompetent dealers; like an employer fires an unsatisfactory employee. A dealer may be a fine man, a good business man, a good manager and all the rest, but if there just aren't enough potential sales in his territory to enable him to make a profit, we are doing him a great favor by telling him so."

### Haphazard Selling Gets Gate

"If his potential, say, is 400 cars and his break-even point is 400, he can't possibly make a profit, and the longer he remains in business, the more money he will lose. Or why have four dealers in a small city when only one of them makes money, while three lose money?"

"The industry for many years has operated on the theory that the more dealers a manufacturer has, the more cars he sells. They take on every dealer who thinks he can sell some cars, regardless of their existing coverage there, and regardless of the dealers' interests."

"That was the chief trouble in 1929, when the industry was represented by 62,000 retail outlets in a market of 4,400,000 cars. That was an average available market of only about 71 cars per dealer per year. By 1932 the market had been reduced to only twenty-five sales per dealer. No wonder 11,400 dealers were forced out of business that year! Those 11,400 dealers lost their opportunity, their money, their equities, their place in the business world—because there were too many dealers. And every one of them probably left unsatisfied creditors, dissatisfied customers, and a shock to public confidence."

"Not only so, but those who survived did so at a terrible price. A vicious competitive condition developed, leading to packing finance charges, excessive insurance rates, misrepresentation of product, bootlegging, open cash discounting, and intolerable competition even among dealers handling the same make car. Capital was jeopardized to such an extent that bankers refused to touch the business. That provided an opportunity for the loan-shark type of finance company to come into the picture with its wild financing plans, and so on. In short, the retail automobile business came to be considered an unsound and undesirable one by many outsiders and to be shunned by



the most capable business men and the soundest bankers.

"There is a missing link in the theory that more outlets will sell more goods and that link is dealer profit. Any business, to endure, must be profitable. That is just as true of the dealer as it is of the manufacturer. Both are associated in the same business and their mutual success calls for a common bond of interest between them. One must make the best possible product, at the lowest possible price, while the other must sell enough of the product and at the same time build and protect customer good will.

### Prosperous Dealers Stick

"When both operate profitably, the business of both becomes stable, permanent and secure, able to take full advantage of periods of prosperity and to weather the trials of depression. When business improves a bit, we don't need to add more dealers; if the existing dealers can't handle the increased volume with their existing man-power, they just employ more salesmen, more servicemen, and others as needed.

"Dealer profit is the key to dealer permanency and dealer permanency is one of the greatest contributing factors to progress with stability. When our quality dealer program is completed, every Chevrolet dealer will be in position to make a profit and every Chevrolet dealer will be required to make a profit in order to hold his franchise!

"This is the very purpose of the whole program. In carrying it out, the whole Chevrolet sales department is pledged to maintain three fundamental principles: We will not pack any territory with more dealers than it can support; every dealer must be strong enough and capable enough to qualify as a quality dealer; every Chevrolet franchise must yield a satisfactory return on the invested capital. If a dealer can't qualify, can't get the business, can't make a profit, we replace him for the good of all concerned, instead of adding another dealer.

"I might add that when it does become necessary to discontinue or replace a dealer, we take care of his Chevrolet investment, even buying back his signs and other distinctive Chevrolet equipment."

Even in some cities where there is ample potential to justify adding another dealer or two, Mr. Holler said, Chevrolet is refraining from doing so, as long as the present dealers there cover the territory satisfactorily. These dealers have been told frankly of the

conditions, however, and they know that if they don't take care of all the sales and service known to be available, another dealer will be added.

When the quality dealer committee has made its decision regarding a given city, the field organization, working in conjunction with the zone staff, makes a further analysis of each dealer's business, department by department. It makes recommendations designed to enable him to qualify as a quality dealer. Perhaps he should move to a different location, he should add certain equipment in his service station, he should employ more man-power, or his expense in a certain department is too high.

Each discussion is gone over fully and freely with him and he is given reasons why it is necessary to make the changes and improvements. All are based on a scientific study and are designed to aid him in getting the indicated potential amount of business in his territory. When the survey has been completed and all the changes agreed upon, the recommendations are drawn up in writing and signed, and the dealer proceeds to carry them out. If more capital is needed, and he is worthy, he is given ample time to furnish it.

There is then usually a lot of "re"—relocating, rehousing, refurbishing, re-equipping, reorganizing, etc.

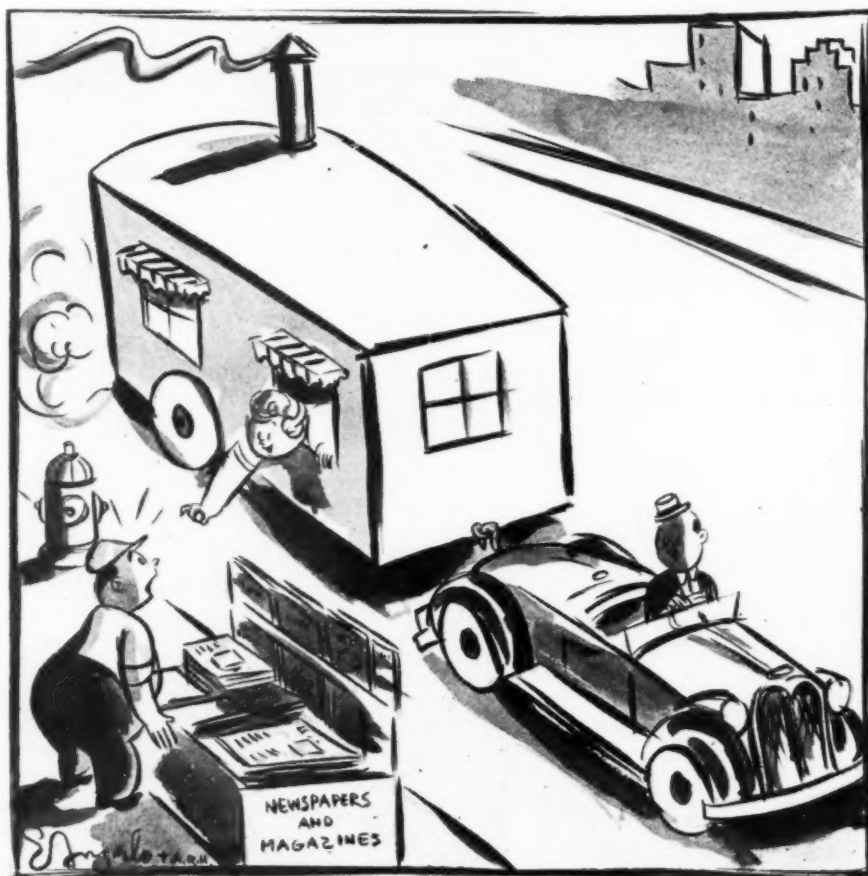
Surveys have now been completed in 26 cities and are proceeding in others. They are to be continued until the entire country has been covered, which will probably be in 1937.

By way of further proof that quality is to be desired more than numbers of dealers, the quality dealer department compiled the following digest of results of the operation of the program in six representative multiple-dealer cities for the period December 1, 1934, to July 1, 1936:

Number of dealers reduced from 122 to 97, or.....	20.5%
Sales increase, 1935 over 1934.....	42.9 "
Sales increase, 1936 over 1935 (6 mos.).....	67.0 "
Net profit increase, 1935 over 1934.....	157.5 "
Net profit increase, 1936 over 1935 (6 mos.).....	80.0 "
Net return on invested capital, 1935 over 1934.....	26.0 "
Net return on invested capital, 1936 over 1935 (6 mos.).....	29.2 "
Sales versus quota, 1935.....	102.1 "
Sales versus quota, 1936 (6 mos.).....	112.6 "

### Swank, Inc., Jumps Ad Budget

Swank Products, Inc., successor to the Baer & Wilde Co., makers of Swank jewelry accessories for men and Kum-a-part cuff buttons, launches the most extensive advertising campaign in its 20 years of business. Through Granville S. Standish, Providence, R. I., agency, full pages in four colors in national magazines, space in newspapers, college dailies, and double spreads in men's wear and jewelry trade papers will be employed.



"Copy of Good Housekeeping!"

## Armstrong Cork Sends Customers to Stores for Linoleum Book

With "the most comprehensive program of advertising within recent years" to back it, Armstrong Cork Co. seeks to earn merchants' cooperation and send linoleum prospects into stores. Advertisements will highlight a book, "Fashion-Thrift Floors for Honeymoon Homes," describe it in mouth-watering style. It is available only through stores; will not be sent direct from the company.

Color pages in the following magazines feature six patterns of linoleum around which the book is written: *Saturday Evening Post*, *The American Weekly*, *This Week*, *Time*, *Literary Digest*, *Country Gentleman*, *Good Housekeeping*, *Ladies' Home Journal*, *Woman's Home Companion*, *American Home*, *House & Garden*, *House Beautiful*, *Town & Country*, *Country Life*.

Hazel Dell Brown, head of Armstrong's bureau of interior decoration, is the author of the "Fashion-Thrift" book. It shows four kitchens, a bath, a small dining-room, and an all-purpose attic bedroom arranged in alternate color schemes with the linoleum floor as the basis of each decorative plan.

Related merchandise shown in the model rooms gets a strong plug. All of this merchandise is available in most department and furniture stores. Window display material has been designed by Armstrong to include this related merchandise; and newspaper mats ready for merchants illustrate not only linoleum, but also housewares, furniture, electrical appliances, china, and draperies.

Another display supplied to dealers has lithographed illustrations of the seven model rooms, invites the prospect to come into the store for a copy of the "Fashion-Thrift" book, and forms a background for exhibition of the six featured linoleum patterns. Imprinted folders announcing the book and patterns to consumers, suggestions for interior ensemble displays, spot radio commercials, local promotional ideas and other related material are being placed in the hands of Armstrong retailers.

A vigorous campaign is also being waged by Armstrong for Quaker felt-base rugs.

The Quaker rug schedule centers on six special patterns. Color ads in the *Saturday Evening Post*, *American Weekly*, *This Week* and *Country Gentleman* picture and describe these patterns.

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## The Scratch-Pad

The way the hay-fever contingent heard it, and that includes your scribe, was Sic September Tyrannis.

A lot of Summer gasolines are neither fish nor fuel.

Within a few weeks, our own Pan-American Airways, in cooperation with Britain's Imperial Airways, will wing you from New York to Bermuda in four hours. Planes may do for the outbound passage, but who would be in that big a hurry to get back?

King Edward VIII is said to like the Marx Brothers. I always knew that guy was okay.

"The Story of the Policeman and the Lady" (Sanka coffee) has a fair plot, but the dialogue seems a trifle forced.



T. Harry Thompson

Jim Hanna, Detroit copy-writer, recently returned from Peru and other S. A. ports, denies that the dogs down there have a Peruvian bark.

Woodbury's have finally gotten that nude off those hard, concrete steps. She's probably as glad as I am, albeit a bit stiff in the jernts.

"Fileworthy," says the St. Louis *Post-Dispatch* on a mailing envelope, borrowing the *Time* technique. It made me take a look-see.

Several organizations are polling the election this year. *The Literary Digest* doesn't know whether to consider them copy-cats or poll-cats.

Columnists are pushovers for items like this: A Mr. Trott is chairman of the executive committee of the Bermuda Jockey Association.

Beulah Gillaspie, director of the Sealtest Kitchen in Radio City, is turning out some slick folders on foods and beverages. Beautifully illustrated with color photographs by Olis, they make a fellow pretty hungry and thirsty. Which, I suspect, is the general idea.

"Weddings costing \$25,000 and up, again show rise of prosperity," says *The Literary Digest*. Likewise, the high cost of loving.

Sealtest, by the way, shows the wisdom of keeping a dairy. And a certain movie actress, the folly of keeping a diary.

A "memorial park" (You remember Gray's *Elegy Written in a Memorial Park*, surely!)—a memorial park will send me a New Testament if I will just answer a few simple questions, without obligation. Question 1: "What cemetery would you use in an emergency?" Answer: In an emergency, I'm likely to be rather quiet on the subject, if you know what I mean.

Incidentally, a guide at Stoke Poges, England, once told me that Thomas Gray required seven years to complete the *Elegy*. I'd like to write copy on some such basis.

My quarrel with comic-strip advertising is not with the medium. It's the silly, unnatural dialogue that gets me down.

Slogan for Elco Cruisers: "The business man's launch." As an alternate, "Nautical but nice."

After supporting myself for lo! these many years by writing sales copy, I have lived to have a milkman write "weak" on a piece of my copy which was written from the consumer point of view rather than the dairy's. The higher criticism! Am I boined up!

Gordon Page thinks all the advertised laxatives should get together and have an elimination contest.

Out my way, "Keep off the grass" doesn't mean any more than "This blade not to be resharpened."

Obvious slogan for Wm. J. Mericka & Co., investment brokers: "See Mericka First."

You can't say the Bacardi copy lacks "punch."

Granville Toogood sends a postcard from Bermuda, with this comment: "Don't know why they call them date-palms; I waited around for the better part of an hour, and nothing happened."

"Canadian Trappist" cheese ought to make good bait.

According to the September *Ladies' Home Journal*, Hollywood's Robert Taylor was born S. Arlington Brough. Hi, Brough!

T. Harry Thompson

BY  
LESTER B. COLBY

Keeping a five-cent item well displayed in thousands of retail outlets ranging from hot dog stands to the finest drug stores, is no easy job. For years Wrigley has met this problem with well selected dealer premiums. Here's a summary of the plan and how it works.



Shot in the Arm: Periodic special deals such as this stimulate dealers to reorder and keep pushing sales of Wrigley's gum. Usually the gift merchandise is designed for resale; sometimes (as with the silver) the dealer may want to keep it for himself.

## Dealer Premiums Win and Hold Dealer Cooperation for Wrigley

ASK an official of the William Wrigley, Jr., Co. how many outlets that organization has—retail spots where Wrigley's chewing gum is sold—and he will answer without hesitation:

"About a million."

Ask him how Wrigley's manages to keep its chewing gum out on the counters, usually right next to the cash register where it's easy to pick up a package while the change is in your hand, and he is likely to reply:

"Well, that's quite a story."

The unit of sale is so small that, generally speaking, it has been found necessary to add some artificial stimulus to the merchandising. William Wrigley, Jr., quickly saw that when he started in business 45 years ago. He developed a policy that has grown and expanded steadily ever since.

Through that policy one of the world's greatest businesses has been developed. Like the far-flung possessions of Britannia, the sun never sets on Wrigley's chewing gum. Besides its home plant in Chicago it has factories in Canada, England, Germany and Australia.

With a nickel package as its ordinary sales unit, it has become one of the world's greatest advertisers. In a not unusual month its advertising will appear in 100,000 street cars, besides trains and buses. One series of Wrigley billboards covered 5,322,000 square feet. In a single month magazines have carried 45,484,000 pages of Wrigley advertising. It has been an

enormous user of newspaper space.

Wrigley was the first to contract with two national radio chains at one time, its programs broadcast to an estimated 45,000,000 listeners per night. Wrigley's advertising appears in strange languages—Chinese, Japanese, Hindustani, Cape Dutch, and all the languages of Europe.

But even all that cannot keep the Wrigley chewing gum out front, right there by the cash register. To get it there something else has had to be done—and to do it there had to be an understanding of psychology.

It is a part of the Wrigley sales picture that the public never sees. It is all behind the scenes. Sensing that here might be a story of interest to the sales-minded readers of SALES MANAGEMENT a reporter went to P. K. Wrigley, president, and asked for the facts.

Officials of the House of Wrigley have always been genial, friendly and non-secretive. Here, briefly, is what he learned:

Wrigley has used three special methods of sales stimulation to keep its goods flowing steadily through the channels of trade. They are:

1—Special rewards, or gifts, to jobber salesmen to encourage them to put special effort into selling Wrigley's chewing gum.

2—Special deals, which mean that a dealer gets a certain number of boxes of chewing gum, plus some other item either usable by him or salable in his store, at a fixed combination price.

3—Opportunity to buy, for cash, some certain item as a reward for purchasing a certain number of boxes of chewing gum. This price is always extremely low, usually below ordinary quantity prices, and is obtainable only because of the fact that Wrigley's takes the goods in enormous quantities.

Usually the special deals are announced to the trade by means of folders, single sheets or broadsides, printed in color, and are for a short time only. They have been used successfully in introducing a new item or a new flavor.

When pepsin and licorice chewing gum were introduced not long ago, a special deal offered with three boxes of gum two decks of playing cards—all for the regular price of the gum. This is how the deal was set up to the dealer:

3 boxes of gum—retail value .....	\$3.00
2 packs of "Crest" playing cards ....	1.00
Resale price .....	\$4.00
Cost to dealer .....	1.95
Profit .....	\$2.05

Another recent deal carried a counter card on which were six hard rubber pocket combs salable at 10 cents each. Silver plate has always moved well in special deals. Not long ago a knife, fork and spoon combination was offered with three boxes of gum, one each of Spearmint, Double Mint and Juicy Fruit.

Each year Wrigley issues a "Blue

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Book" which lists de luxe gifts to jobber salesmen, and a "Red Book," which lists merchandise offers to the trade. The current Blue Book lists 49 and the Red Book 42 items.

The Blue Book, for example, shows gifts which will delight the salesman's wife or children, articles which he may be pleased to have for himself, goods for travel or outing or for the home. Usually name brands are given, so that the man who gets them may be confident of quality and value. Here are some samples:

Item	Required Sales
3 Linen handkerchiefs, value \$1.00 .....	150 boxes
3 Pairs ladies silk stockings, value per pair, \$1.15 .....	325 boxes
1 Remington shotgun, value \$46.95 .....	4,000 boxes
1 Philco automobile radio, value \$49.95 .....	3,800 boxes
1 Mixmaster, value \$22.50 .....	2,200 boxes
1 Westinghouse vacuum cleaner, value \$35.95 .....	3,000 boxes
1 Velocipede, value \$13.50 .....	1,300 boxes

Other items include a Toastmaster Hospitality tray, a 19-piece beverage set, Cannon towels, a Karpen lounging chair, Universal vacuum pitcher set, Elgin wrist watch (man's or ladies'), fishing tackle, traveling bags, poker set, Eastman Ciné Kodak, Underwood portable typewriter, and even a man's overcoat.

### Wives Become Ardent Fans

The theory in listing goods especially attractive to the "little wife" is that she, seeing, is likely to say:

"Here, big boy, go out and get this for me."

Sales managers offering prizes to their men have long known that the little woman can often stir her husband to unexpected accomplishments. She can get action out of the most lethargic if she wants a thing bad enough.

The Red Book features merchandise which the dealer may buy "if." The "if" means if he orders a certain amount of chewing gum and his gain is in the low price he is quoted.

The merchant who acquires goods through the Red Book offer may place the item on his counters for resale at a profit, may use it in his store, or may take it home. All goods selected from this book are shipped freight prepaid.

Here are some of the items:

22 boxes Wrigley's gum and a butter cutter .....	\$20.00
40 boxes Wrigley's gum and a chrome lounge chair .....	38.00
11 boxes Wrigley's gum and an electric kitchen clock .....	9.50
14 boxes Wrigley's gum and an electric vaculator .....	12.25

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25 boxes Wrigley's gum and 42-piece dinner set ..... 23.00

Other items include an electric juice extractor, an electric kitchen mixer, a store truck, wool blankets, football, basket ball, a computing scale, a hanging scale, a coaster wagon, etc.

So great has been the demand for these items that at times the Wrigley purchases have kept entire factories busy for weeks at a time. One of the greatest successes of all time was the famous Hammond clock offer. When the electric clock was first brought out Wrigley entered it among its offers and hundreds of thousands of clocks were sold.

Wrigley is also one of the largest calendar buyers in the world. Last Fall the company offered five boxes of chewing gum and 100 art calendars, in four designs, for \$6.50. Wrigley's name does not appear on the calendar but the dealer's name, three lines of imprint, was permitted.

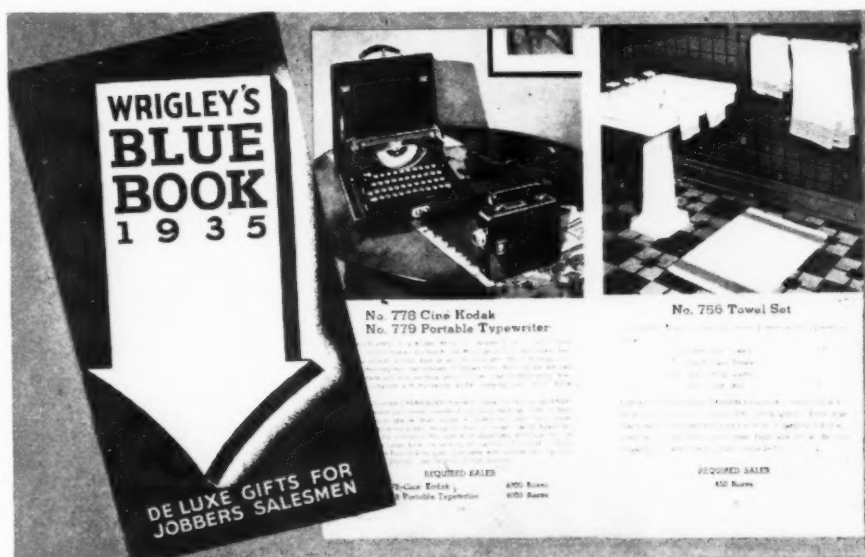
This gave the dealer a handsome advertising calendar to give to his trade at very low cost. Wrigley literally

Wrigley probably employs a wider variety of advertising mediums than any other company in the world. Because of this diversification in advertising—radio, magazines, newspapers, billboards, car cards, electric spectacles, and special stunts such as giving a dollar bill to persons who have a stick of Wrigley's when asked for it,—Wrigley places its advertising through seven separate advertising agencies. This is believed to be an all-time record in splitting up an advertising appropriation.

Wrigley's salesmen's cars have recently been standardized in Wrigley green. Wrigley was the first to use the recently invented animated tire carrier advertising device on the rear of autos. Myrt and Marge were Wrigley radio children, and the March of Time came into the family by adoption.

And then there are Catalina and the Cubs!

These, however, have been looked upon by the Wrigleys as personal hobbies—just fun for the family—not as being company projects.



Salesmen's Sugar: Most potent of quotas for Wrigley dealers' salesmen are the figures at the bottom of each page in the Blue Book, which tell the number of boxes of gum which must be sold to win the gifts so enticingly pictured. Many of them bring that other "home office" in the sales picture too—the pressure of envious salesmen's wives.

"goes to town" with the calendar of fer year after year.

Wrigley travels its own sales staff who take orders; but the goods are delivered through jobbers who take the profits on the sales thus delivered to them. These special offers, or sales ticklers, are employed in the United States, Canada, most of the European countries and Australia.

In the more far-flung lands, out of reach of the company's direct control, the salesmen's gifts, deals and special merchandise offers are not in effect.

But with 1,000,000 outlets, well, there are 1,000,000 boxes right up there by the cashier even with a minimum stock.

Oh, yes—according to Wrigley advertising when the Spanish conquistadores first looked upon the beautiful Aztec maidens they reported their fairness back home, saying:

"These women have beautiful lips and teeth. It is probably because they have a habit of chewing a substance which they call chicle. It keeps the teeth clean and exercises the mouth."

# How Lee Gets Dealers to Feature and Push Quality Work Clothing



C. A. Reynolds

The market is flooded with cheap work clothing—but retailers plug the Lee line because the manufacturers are on their toes producing dramatic sales-making ideas for driving home the quality sales story.

BY LENA K. WYATT

**I**N 1915 a man dressed in a strange type of working garment startled residents of middle-western towns by appearing on the streets, and in shops and hotels alike, in the garb. Frequently hotel managers objected, but their protests were short-lived when the gentleman informed them that he was a paying guest and that he had a reason for remaining so attired.

Thus, C. A. Reynolds, now general sales manager and advertising director of the H. D. Lee Mercantile Co., said to be the largest manufacturers of work and play clothing in the United States, introduced the first pair of Union Alls to the world.

"Attired in coveralls, I could walk into a store and strike up a conversation with the owner before he realized that I had something to sell," says Mr. Reynolds. "The first reaction on the street and in stores was that of curiosity. Everyone wanted to know about this new garment." The stunt was too good to hide away when promotions took him off the road. He still uses it occasionally when calling on dealers. Lee salesmen frequently wear their own merchandise. In this way each salesman is his own living model, and there is no better way to demonstrate the fit and wearing quality of the garments.

The stunt which marked Mr. Reynolds' first association with the company was typical of the many which were to follow. Dramatic selling has become almost a creed with the company. It has been found as the most effective means of driving home merchandising points to both dealer and consumer.

Very little of the responsibility of carrying through promotional ideas is placed on the dealer's shoulders.

This, because a good dealer's time is limited, and because the company feels that boosting Lee products is its own responsibility from the time the merchandise leave the factory until it

Red arrows glued to samples of Lee overalls point to desirable features and expert detail work. Dealers like and display the decorated garments because they are eye-catchers.

Giant-size Lees never fail to create gaping and neck-cranning. Besides that, the 20-foot "blow-ups" illustrate details of construction. The novelty is exclusive with the company.

reaches the hands of the consumer. When a salesman has signed up a dealer, his job has only begun. Before he leaves the store he *sets up* the company's latest display, and as each new sales idea is produced he returns to explain it to the dealer and sees personally that the display material is used to the best advantage.

Many Lee sales stunts have achieved a national reputation. Perhaps the most ingenious, and by a long margin the best-paying promotion ever developed by the company, is the "Buddy Lee" doll, dressed in a Lee overall, shirt and cap. It is patented and is sold to merchants not simply as display material but as merchandise to be retailed. Over 26,000 dozen of these dolls have been sold.



In big-city department stores where overalls may be tucked away in the basement or an equally inconspicuous place, the Buddy Lee doll has been displayed prominently on toy counters and in windows. Recently Macy's featured a window of Lee work clothing with Buddy Lee dolls prominent in the display. Thanks to Buddy Lee, the younger generation is being well educated to the merits of quality work clothing.

"The World's Largest Overall" is an exclusive Lee idea. "Blown up" garments, 20 feet in height, are hung in front of their stores periodically by Lee dealers. The freak overall serves not only to attract attention but shows up to excellent advantage the

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Country stores are by no means the sole outlets for overalls. R. H. Macy, New York, shows them as above, along with the "Baby Lee" dolls. Though Macy uses the dolls for display only, 26,000 dozen of them have been sold by various other dealers.

construction features of the garment.

The newest of the Lee copyrighted features is the gluing of 55 red arrows, hands, and other indicators on sample garments, each pointing out the desirable features. One of these indicator garments goes to each account. The "Red Arrow" overall is an eye-stopper and dealers need no persuasion to display the garment in a prominent place.

A friend of Mr. Reynolds recently returned from a trip into the less-traveled sections of North Carolina, and reported seeing the "Red Arrow" overall at almost every corner store. He commented that Lee evidently had not only sold dealers on the idea but had also sold them on displaying it.

The strictest maintenance of quality and constant improvement of design and construction have been the sound bases on which an international business has been built.

During the depression, when manufacturers frantically cut prices to reduce stock, Lee concentrated on producing a better garment at prices which had previously prevailed. The firm is now reaping the reward of maintaining quality at the risk of losing volume. A sixth Lee factory has just been completed at San Francisco. It will serve the West Coast, which was formerly served with goods manufactured in New Jersey and shipped by water to the San Francisco distributing plant. In 1936 to date the company has shown a greater than 30% increase over last year, which was a prosperous one.

"We have never built a garment to

meet a price," declared Mr. Reynolds. "Every new garment is constructed of the best possible material with the finest workmanship, and *when it is perfected, a price is put on it.*"

It is said that a Lee garment is never allowed to go out of style—they stop making it before sales begin to slump. The firm has a stylist who is as much an "idea man" in his line as an advertising man or scenario writer. He keeps many months ahead of the current trends in work clothing. Lee work clothes are "tailored." Hundreds of scraps, some only one-half inch in width, are thrown away for each garment, because consideration of the smallest details will improve the fit and consequently the wearing quality of the garment.

A window display which will go out within a few weeks shows a number of parts which go into the making of a Lee overall as compared with the parts used in a cheap overall. "An overall may be made of 10 parts," the caption reads, "but Lee overalls have 72 parts and 368 separate and distinctive operations required to make them."

How do Lee salesmen meet the problems of selling quality work clothing in a field which is overrun with bargain merchandise? When asked this question, Mr. Reynolds appeared somewhat surprised. Evidently he is not accustomed to look upon his own task or that of his men as any more difficult than that of the men handling bargain lines.

"Why, simply by knowing their merchandise so thoroughly that they

can get the information across to the dealer," he replied.

Apparently his brief surprise was due to his connotation of the word *salesman*. A salesman to him is not a man with greater or less talent for high-pressure selling, but a man who has acquainted himself so thoroughly with his merchandise that he has little difficulty in conveying his own confidence in his products to the dealer.

The Lee salesman has a few stunts of his own which he uses to good effect on dealers. Once a year tear-sheets of covers of all publications carrying H. D. Lee advertising are sent to him. He takes them with him when he calls on dealers and at an opportune moment begins tossing them on the counter until the display has completely covered two or more counters. Only thus can the dealer be made to realize fully how great a number 45 national magazines really is.

### Portfolio Aids in Selling

Rather than preparing voluminous literature for instruction of dealers, the company has constructed its salesman's portfolio so that it may be used to advantage with dealers as well as with salesmen. The portfolio is a large loose-leaf book which closely resembles a market survey put out by a newspaper or an advertising agency, so complete is the market information given. A double-page spread gives the circulation of farm clothing by states as compared with the number of farms in each state. Perhaps the most unusual feature of the portfolio is a section which contains the pictures of all the company's salesmen. To tell a salesman or a dealer that H. D. Lee is represented by over 150 men in all parts of the country is one thing, but to show the pictures of all 150 makes a decided impression.

Salesmen have a choice of two salary arrangements. Either they may work on a drawing account with commission, or on a drawing account with bonus. Commissions are comparatively small and the men make their money on volume, says Mr. Reynolds.

Only one big sales conference is held each year in the various branch offices. At that time the men not only view the new lines and brush up on their selling tactics, but they are thoroughly acquainted with every phase of the company's promotional activity. The conferences resemble miniature expositions in the completeness of the displays of the latest factory developments and advertising material. Thus the salesmen are given an opportunity to become as thoroughly familiar with

(Continued on page 331)





Ewing Galloway

The sales executives interviewed for this survey travel an average of 16,138 miles a year. In their own businesses they have to please the public, and this training makes them keen critics of both the flaws and the points of individual roads.

## What's Wrong, and Right, with American Railroads?

MRCA survey\* among sales executives shows 16,138 average miles traveled annually; mentions of good service outnumber poor 2 to 1; running time, cleanliness, temperature control and food receive most of favorable mentions.

**M**ANY are of the belief that for a long time railroads took the competition of private automobiles, buses and airplanes "laying down," but even those people must admit that the roads today are trying hard for a comeback. They have improved their equipment and their running time, added many little conveniences which are a commonplace in hotels but relatively new in railroading, adopted a group advertising campaign; and some have fought for rate reductions, while others had lower fares forced upon them by the I. C. C.

What do their important customers think of the railroads today? What attributes of railroad service do they appreciate most—deplore most? How do they rate the individual railroads?

SALES MANAGEMENT asked the Market Research Corporation of America to get the answers to these questions. Since our own subscribers "get about" a lot, the MRCA investigators went to a group of them—sales managers and officers of companies

doing a national business. One hundred and one complete interviews were secured. While this number perhaps does not constitute an adequate cross-section of the entire traveling public it seems sufficiently large to show at least in a general way what railroads as a whole, and specific roads, should do to capture more of the passenger business.

The 101 business men traveled a total of 1,629,780 miles during the last 12 months—an average of 16,138 miles—which is roughly equivalent to

\* The thirtieth of a series of surveys made exclusively for SALES MANAGEMENT by the Market Research Corporation of America, under the direction of Percival White and Pauline Arnold; interpretive comment by Philip Salisbury, executive editor.

2½ round trips between Boston and Los Angeles.

22.7% traveled less than 5,000 miles on railroads  
12.8% traveled between 5,000 and 9,999 miles  
19.8% traveled between 10,000 and 14,999 miles  
12.9% traveled between 15,000 and 19,999 miles  
10.9% traveled between 20,000 and 24,999 miles  
5.0% traveled between 25,000 and 29,999 miles  
9.9% traveled 30,000 or more miles

In answer to the question, "About how many nights in that period did you spend in Pullmans?" the answers were:

Percentage	Nights in Pullmans
12.8%	0-4
14.9%	5-9
15.8%	10-14
8.9%	15-19
9.9%	20-24
6.9%	25-29
8.0%	30-34
2.0%	35-39
5.9%	40-44
3.0%	45-49
11.9%	50 or more

Apparently "George" sees many of our readers fully as often as does the wife.

### Which Are Strikingly Good?

MRCA investigators then asked sales executives to give the names of railroads on which they had traveled during the year. The answers to this question are given in the large table. The question was intended largely as an introduction to the following more important question: "Which ones have been outstandingly GOOD on these factors: Running time, cleanliness, temperature control, roadbed, service, food, equipment?"

Following that, the question was asked: "Which ones have been outstandingly POOR on the same factors?"

The Pennsylvania, which had the largest number of passengers—78 men used it out of a possible 101—might, theoretically, have received seven times that number of good mentions, since seven items were listed in the question. But since the question asked only for mentions of outstandingly good attributes it is not surprising that no road received a large number. The 10 roads which had the highest percentage of good mentions in relation to total number of passengers were:

Union Pacific	77%
Santa Fe	69
St. Louis & San Francisco	66
Baltimore & Ohio	65
New York Central	62
Chicago & Northwestern	62
Southern Pacific	60
Chicago, Milwaukee & St. Paul	58

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# How Railroads Are Rated on Specific Items

Travelers were asked to name railroads on which they had traveled during the year, and to mention items which were outstandingly good or poor. Percentages shown below under "Running Time" etc., are number of mentions of the particular attribute, applied against number of persons using the railroad.

RAILROADS	No. of Persons Who Used R. R.	% Fre- quency of Men- tion	RUNNING TIME		CLEANLI- NESS		TEMP. CONTROL		ROADBED		SERVICE		FOOD		EQUIP- MENT		No. who made Good Men- tions	No. who made Poor Men- tions	% Good to Total Men- tions	
			% Good	% Poor	% Good	% Poor	% Good	% Poor	% Good	% Poor	% Good	% Poor	% Good	% Poor	% Good	% Poor				
Pennsylvania	78	77	33	6	19	14	23	6	21	15	15	12	21	13	21	8	43	28	55	
New York Central	65	64	32	12	28	15	26	12	46	12	20	12	17	15	22	9	40	20	62	
Baltimore and Ohio	48	48	21	8	31	4	31	4	8	10	31	4	35	2	27	2	31	6	65	
Chicago, Milwaukee & St. Paul	31	31	35	19	19	4	19	4	16	19	19	3	26	10	26	18	4	58	42	
New York, New Haven & Hartford	31	31	19	13	23	6	23	6	13	16	13	10	13	16	23	6	13	9	42	
Chicago, Burlington & Quincy	25	25	20	12	20	8	20	4	24	4	24	4	24	4	28	4	14	3	56	
Chicago & Northwestern	24	24	38	4	42	25	25	21	8	21	8	21	8	33	4	15	3	62	38	
Illinois Central	24	24	8	17	4	17	4	8	8	8	8	17	4	8	8	9	2	37	63	
Michigan Central*	22	22	9	5	9	9	18	9	9	18	18	18	5	5	5	7	4	32	68	
Southern Pacific	17	17	41	35	6	35	6	24	18	6	29	6	35	35	10	1	60	40	60	
Atchison, Topeka & Santa Fe	16	16	38	56	31	31	31	38	13	44	44	44	19	6	25	11	2	69	31	
Chicago & Alton	16	16	25	19	12	12	12	6	6	6	6	6	19	6	6	6	1	37	63	
Wabash	14	14	14	14	14	14	7	14	7	7	14	14	7	14	7	14	3	4	21	
Cleveland, Cincinnati, Chicago & St. Louis*	13	13	8	8	8	8	15	8	8	8	8	8	8	23	8	8	3	3	23	
Chicago, Rock Island & Pacific	13	13	54	46	54	54	54	69	38	38	38	38	38	38	46	11	6	15	85	
Southern	13	13	8	8	8	8	8	8	8	8	8	8	8	8	8	2	6	25	75	
Union Pacific	13	13	38	46	46	46	54	54	54	54	54	54	46	46	46	10	3	77	23	
Great Northern	12	12	17	8	17	8	17	8	8	8	17	17	25	8	25	5	3	42	58	
Chesapeake & Ohio	11	11	18	9	18	9	18	9	18	9	9	9	9	9	9	1	2	9	91	
Louisville & Nashville	11	11	18	27	27	27	18	9	18	9	18	18	18	18	18	18	4	4	36	
Boston & Albany*	10	10	20	20	20	20	20	20	20	20	20	20	20	20	20	10	5	6	55	
Erie	9	9	11	22	33	33	44	11	11	22	11	22	11	22	22	11	2	6	22	
Missouri Pacific	9	9	33	22	44	33	33	22	11	11	33	11	33	22	22	33	11	4	44	
Northern Pacific	9	9	11	11	11	11	33	22	11	11	11	11	11	11	11	11	3	2	33	
Missouri-Kansas-Texas	8	8	38	13	25	13	25	50	25	50	25	50	50	13	13	13	4	6	50	
Reading	8	8	13	13	13	13	13	13	13	13	13	13	13	13	13	2	1	25	75	
Atlantic Coast Lines	7	7	14	14	14	14	14	14	14	14	14	14	14	14	14	14	1	1	14	
Chicago, Indianapolis & Louisville	7	7	14	14	14	14	14	14	14	14	14	14	14	14	14	14	3	1	43	
Boston & Maine	6	6	17	17	17	17	17	17	17	17	17	17	33	17	17	33	3	3	33	
Delaware, Lackawanna & Western	6	6	17	17	17	17	17	17	17	17	17	17	17	17	17	17	2	2	33	
Canadian Pacific	5	5	20	20	20	20	20	20	20	20	20	20	20	20	20	20	2	2	40	
Chicago & Eastern Illinois	5	5	20	20	20	20	20	20	20	20	20	20	20	20	20	20	2	2	40	
Lehigh Valley	5	5	20	20	20	20	20	20	20	20	20	20	20	20	20	20	2	2	40	
Minneapolis, St. Paul & S. S. Marie	5	5	20	20	20	20	20	20	20	20	20	20	20	20	20	20	2	2	40	
Norfolk & Western	5	5	20	20	20	20	20	20	20	20	20	20	20	20	20	20	2	2	40	
Texas & Pacific	5	5	20	20	40	40	40	40	40	40	40	40	40	40	40	40	2	1	40	
Central Railroad of Georgia	4	4	25	25	25	25	25	25	25	25	25	25	25	25	25	25	1	1	25	
Seaboard Airline	4	4	25	25	25	25	25	25	25	25	25	25	25	25	25	25	1	1	25	
St. Louis Southwestern	3	3	33	33	33	33	33	33	33	33	33	33	33	33	33	33	3	1	75	
St. Louis & San Francisco	3	3	33	33	33	33	33	33	33	33	33	33	33	33	33	33	2	1	66	
Canadian National	2	2	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	1	1	50
Chicago Great Western	2	2	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	1	1	50
13 other railroads had one mention each																				

\*New York Central System.

Chicago, Burlington & Quincy..... 56  
 Pennsylvania ..... 55

The 101 passengers made the following number of mentions of specific railroads for these attributes:

	Good	Poor
Running time	132	60
Cleanliness	129	58
Temperature control	120	53
Food	114	60
Equipment	109	48
Roadbed	101	72
Service	101	48
	806	399

Two things stand out in the table above: (1) Travelers remember twice as many good attributes as poor; (2) they may praise one road for a certain factor but do not damn another for the lack of it. Or the reverse may be true. A good roadbed may be more or less taken for granted because it is expected, but if the roadbed is poor that will be remembered. Roadbeds received 20% more poor mentions than the next two items—running time and food.

The table headed, "How Railroads Are Rated on Specific Items," gives a consolidated picture of the good and

bad mentions accorded each road. The number of mentions made for some of the roads is too small to permit definite conclusions being drawn—too small to say unequivocally that the New Haven had better improve its food or the Milwaukee its roadbed or that the B. & O.'s temperature control is well nigh perfect—but the responses are doubtless generally indicative of outstanding points, and we think that subscribers may be interested in checking their own experiences with those of the group.

## Comments on Items of Service or Lack of Service (on Specific Railroads)

### Pennsylvania

"On short trips when using day coach on one hour hops, I object to the dirtiness and failure to clean smoking cars at stations."

"Porter service indifferent."

"Dirty day coaches, smoking cars."

"All employees are very courteous—pleasant to talk to—like the food especially—treated excellently during floods in Pennsylvania this Spring."

### New York Central

"A la carte suggestions should be better for those not interested in full meal."

"Personnel very willing to help and arrange for passenger comfort by moving baggage, opening windows, etc."

"Better service needed at ticket windows."

"Dirty despite ads about air-conditioning."

"Have to reserve a berth 24 hours in advance. They don't open a new sleeper until all upper berths have been sold."

"Prices on diner too expensive."

"Roadbed and running time both excellent."

### Baltimore & Ohio

"B. & O. brings you orange juice in the morning. That's service."

"Royal Blue is the best train I have found."

### Chicago, Milwaukee, St. Paul & Pacific

"Afternoon tea free in club car."

"Bar and food on Hiawatha particularly good."



Ewing Galloway

Cleanliness of washrooms is a vulnerable point with many roads. That of the Great Northern's crack "Empire Builder," pictured above, is spic and span.

"Good food on Pioneer Limited."

"Very considerate porter on the Milwaukee."

#### Chicago & Northwestern

"Radio in club car."

"Poor table linen."

#### Cleveland, Cincinnati, Chicago & St. Louis

"Used more than others because of personal service given to me."

#### Southern

"Outstanding example of poor equipment, bad service, lack of cleanliness, and lack of air-conditioning."

"Not kept up—smoking room, etc."

#### Union Pacific

"Entire train crew aims to please."

"Service given on request, but not anticipated."

#### Chesapeake & Ohio

"Has no diner on trains leaving at meal time."

#### Boston & Albany

"Ticket selling service poor at Worcester, Mass., Union Station."

#### Missouri Pacific

"Entire train crew aims to please."

"Most comfortable lounge cars."

#### Chicago, Rock Island & Pacific

"Service given on request, but not anticipated."

"Antiquated dining cars."

#### Boston & Maine

"No diner on trains leaving at meal time."

"On trip to Montreal from Hanover on night trip, porter was insolent, then put my grips off at midnight, mixing them with those of other passengers. However, officials were capable in returning but not too gracious."

#### Lehigh Valley

"Porter service indifferent."

#### Missouri-Kansas-Texas

"Twice they sold the same berth to two people."

### (No Railroad Specified)

#### Items of Service

"I think western roads give better service than the eastern as a rule."

"All roads west of Chicago outstandingly good."

"On western roads, new type Pullman good."

"Radio and literature."

"Good liquor service."

#### Lack of Service

"Inability to get a decent washroom

in a day coach on any road. This means cleanliness, sanitation and clean lavatory and commode. Also no towels or soap available in most."

"All railroads should have posters plainly announcing name of each station stop before reaching it."

"Local service poor on all railroads. There should be means for promoting sociability and hospitality."

"Too many rules make service inflexible, and there is no apparent management comparable to a hotel's."

"Porters should have white shoe polish."

"Suggests railroads calling for passengers at their homes in taxis."

"Dining service poor."

"Pullman service poor."

"Pullman washrooms and toilets not kept in good condition."

The next survey in SALES MANAGEMENT-Market Research Corporation of America series will be a "repeated by popular demand" number—another "pet peeve" study in which men and women tell what is wrong with the products they buy.

## Marketing Flashes

### [ Radio Coverage Surprises—Bakers Help Corsetiers ] [ Unknowingly—A New "Appeal"—Personnel Shifts ]

#### Ubiquitous Radio

The loudspeaker is almost as universal as the loaf of bread, according to *Radio Today*. That trade paper cites the findings of a research organization which recently completed a survey of 995,000 American homes to ascertain living habits, use of electrical devices, and home ownership. A final summary shows:

Own their own homes...	47.0%
Own automobiles .....	49.6%
Have telephones .....	51.9%
Own vacuum cleaners...	50.3%
Own electric washers...	42.3%
Have savings accounts...	41.3%
Have electric refrigerators	15.0%
Reached by newspapers...	87.5%
Have radio sets .....	90.0%

Evidently the hand that rocks the cradle also twists a dial.

#### Lithography Presents:

A complete lithographing plant will turn out 5,000 full press sheets an hour at the Eastern States Exposition, to be held September 20-26 in Springfield, Mass. Starting with preparation of original copy, the miniature plant will carry operations through to

the packing of finished products in corrugated cases and shipment by truck.

Every detail, except those performed in the dark room, will be in full public view. The sponsors are Brooks Bank Note Co., Springfield, and Rutherford Machinery Co., New York. Cooperating firms supplying films, photographic materials, inks, wrappings, and related products are also represented.

Buyers of color advertising, labels, packaging, and stationery have been invited to attend; and printers, lithographers, and engravers—as well as the general public—will view this pioneer educational exhibit.

#### Inflation Control

Simultaneously with the launching of an "eat more bread" campaign by bakers and millers, comes an expanded market for corsets. *Dry Goods Economist*, retailers' trade journal, advises stores to hitch on to the flour men's bandwagon and profit by offering a set of three corsets: One for formal wear, one for sports, and another for everyday wear.

As a further effort to triple the

SALES MANAGEMENT



size of ladies' corset wardrobes, Formfit Co., Chicago, held a three-day School of Corsetry. Some 250 salespeople from 21 states attended, listened to lectures on anatomy, health, style, etc., and on how to push triple-corset sales. They received gold-sealed diplomas, sent cards back home to customers telling of their attendance at the school. According to unconfirmed reports the school song, "How Firm a Foundation," was chanted joyously and votes of thanks were extended to the grain industry for Bringing in the Sheaves.



Luxurious ladies whisper quality

### Swish Parade

During the week of September 21-26 the third annual Silk Parade will slither and whisper enticingly through the nation's stores. Setting the keynote is the International Silk Guild's official poster, reproduced herewith. It portrays the spirits of Night and Day, and glows in full colors to express the quality feeling of genuine silk.

Retailers will feature the poster in their displays and local ads, as well as the Guild's "All Pure Silk" tag on fabrics. Says Wilma Soss, publicity director for the organization: "By this program of fabric identification, not only during the Silk Parade but at all times, the store will convince the customer that it has her best interests at heart, and will establish a basis of confidence for all departments, not merely for silk merchandise."

### Men and Jobs

O. H. Woolford has been named executive officer of the general sales department, Cochrane Corp., Philadelphia. All sales activities of the

company's power plant water conditioners, steam specialties, flow meters, and ice and material breaking equipment divisions will be co-ordinated under the newly created office. Mr. Woolford has been with the firm for the past ten years.

Charles E. Johnson, formerly ad and sales promotion mgr. of Curtis Lighting, Inc., moves over to the post of Chicago s.m.

Emile E. Grignard becomes mgr. of industrial relations for Seagram-Distillers Corp. He held a similar position with Socony-Vacuum Oil. Prior to that, Mr. Grignard was v.-p. and g.m. of Central Petroleum; and for 18 years g.m. for Cities Service Co.

R. Kibby Clark is appointed ad mgr. of Angelica Jacket Co., St. Louis. A former editor of *Shell Globe*, he was for years with the sales and advertising department of Shell Petroleum Corp.

### Grasshoppers Beware!

Missouri grasshoppers who fiddle gaily by roadsides do so at their own peril. An ingenious farmer in that state has rigged up a grasshopper-catcher for his car which corrals a batch of insects as he rides. When he gets home he salts them down for Winter poultry tid-bits. What may be a plague to other people, is just so much chicken feed for him.

### T.A.

"Local advertisers who fail to print their telephone numbers are neglecting one of the little things that make it easy for people to buy," says the New York Telephone Co. in a booklet designed to help retailers gain more T.A. (telephone appeal). Lay-

outs for mythical ads with and without T.A. are reproduced, as are others by famous department stores. Stereotypes illustrating assorted phones, hands reaching for phones, clerks answering phones, and such are given in the booklet. All may be had from the company without charge.

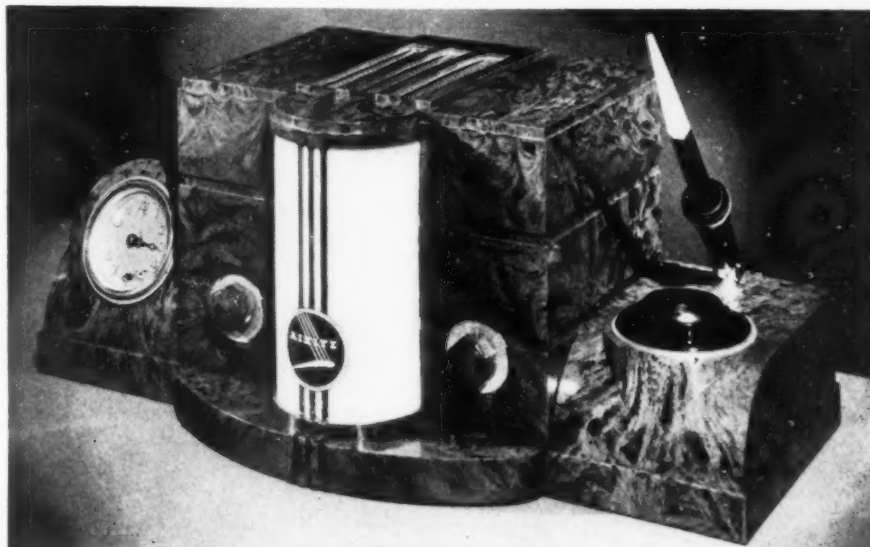
Directly the company is, of course, selling nothing. But if it can induce merchants to put the telephone number in their ads, on calendars, bill-heads, wrapping paper, etc., there will be inevitably more calls made. The booklet is a neat idea, well executed.

### Eat Often

The learned Dr. Thaddeus Bolton, of Temple University, and Professors Haggard and Greenburg, of Yale, publish their findings on eating habits and human efficiency. They concur in advising five meals a day, small ones. Quick on the trigger, Tracy-Locke-Dawson agency and Dr. Pepper rush these findings into print, lean back with a "We told you so" grin. Dr. Pepper, as a goodly portion of the country knows, has been dinging away for years with the slogan, "Drink your bite to eat. Dr. Pepper at 10, 2 & 4."

### Ultimate in Gadgets

The desk set illustrated contains a radio, electric clock, and combination self-closing ink stand and fountain pen holder. A thermometer or barometer may be substituted for the clock if the owner has a wrist watch or sundial. Housings for all three units are in a mahogany Bakelite molded case. Sengbusch Self-Closing Ink Stand Co., Milwaukee, is the maker of the "Airite."



A Coincidence, We Assure You: Cross our heart and hope to die, there is no connection between the desk set above and the New York News ad on page 325. SM's management assumes no responsibility for advertisers' brain-waves.

# Robinson-Patman Panic Is Somewhat Abated as FTC Answers Questions

Conference with grocery trade executives indicates liberal attitude; differences with Clayton Act highlighted by FTC; Celler interprets functional discounts

MUCH of the fear that followed the passage of the Robinson-Patman Act has been dissipated by developments during the month. There are still knotty points that can be decided only by test cases, and some interpretations being made now may turn out to be only examples of wishful thinking. But the Federal Trade Commission has made it very clear that it is not going to be arbitrary; that its personnel will always be available for consultations on disputed points; that the intent of the framers will be used as a guide in clarifying uncertain passages (see special eight-page insert in August 1 SM containing excerpts from Congressional debates and hearings); and that, in general, the "rule of reason" will govern in the application of the law.

As pointed out in the Washington letter in this issue the FTC on August 20 released an analysis of the differences between the Robinson-Patman Act and the Clayton Act which it amended in part. . . . The demand for copies of this analysis was so great that the supply was soon exhausted, and we are therefore reprinting it in full herewith.

Food manufacturers, wholesalers and retailers met with staff members of the FTC to discuss informally the meanings and the implications of the Act, and the committee, headed by Paul S. Willis, head of the Associated Grocery Manufacturers of New York, reported "a very satisfactory meeting." The general consensus was that for the large majority of businesses, "business as usual" is a fairly safe rule.

## "Recent Amendments to Section 2 of Clayton Act

"The Robinson-Patman, Borah-Van Nuys Act, Public 692, was signed by the President on June 19, 1936.

"The Robinson-Patman bill as originally

introduced amended Section 2 of the Clayton Act defining unlawful price discriminations and supplemented the Section by declaring certain other forms of discrimination to be unlawful. The Borah-Van Nuys bill was directed toward making certain price discriminations a criminal offense.

"Both bills were designed to prevent arbitrary discrimination in the course of interstate commerce as a result of which sellers conferred substantial competitive advantages upon some customers and not upon others, or as sometimes stated, to restore equality of opportunity in business without penalizing service and efficiency. As finally passed, the Act is a consolidation of the provisions of the various bills introduced in Congress by Senator Robinson, Congressman Patman, Senators Borah, Van Nuys and others.

"A comparison of the principal provisions of the amended section and of the section as it had stood since its original enactment in 1914, is presented in the following parallel columns. This comparison will show the principal points of difference between the old and the new law.

"An important proviso which qualifies (b) in the second column below is that where the Federal Trade Commission finds 'that available purchasers in greater quantities are so few as to render differentials on account thereof unjustly discriminatory or promotive of monopoly in any line of commerce' it 'may, after due investigation and hearing to all interested parties fix and establish quantity limits and revise the same as it finds necessary, as to particular commodities or classes of commodities.' Thereafter in such cases differentials based on differences in quantities greater than those so fixed and established are not permissible.

"The new Act includes some important provisions that are in the nature of extensions of the principle of non-discrimination. These extensions are independent of the prohibition against the discriminations in price as such. The methods forbidden were evidently considered as either constituting indirect price discrimination or other forms of discrimination which had effects similar to price discrimination. The payment of brokerage, commission, or other compensation in lieu thereof to an inter-

### Original Section 2

Declares it unlawful to discriminate in price in the course of interstate commerce, between different purchasers of commodities sold for use, consumption or resale within the United States, subject to the following requirements:

(a) That the effect "may be to substantially lessen competition or tend to create a monopoly in any line of commerce."

(b) That the discrimination be not "on account of differences in the grade, quality or quantity of the commodity sold" or make other than "due allowance for difference in the cost of selling or transportation."

(c) That the discrimination "in the same or different communities" be not "in good faith to meet competition."

(d) That the discrimination be not the result of the sellers' selection of customers "in bona fide transactions and not in restraint of trade."

(e) Nothing equivalent to (e) in the other column appears in the original section.

### Amended Section 2

(Note: New language in italics)

Declares it unlawful to discriminate in price in the course of interstate commerce, between different purchasers of "like grade and quality, where either or any of the purchases" are made in the course of interstate commerce and where the commodities are sold for use, consumption or resale within the United States or its possessions, subject to the following requirements:

(a) That the effect "may be to substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination or with customers of either of them."

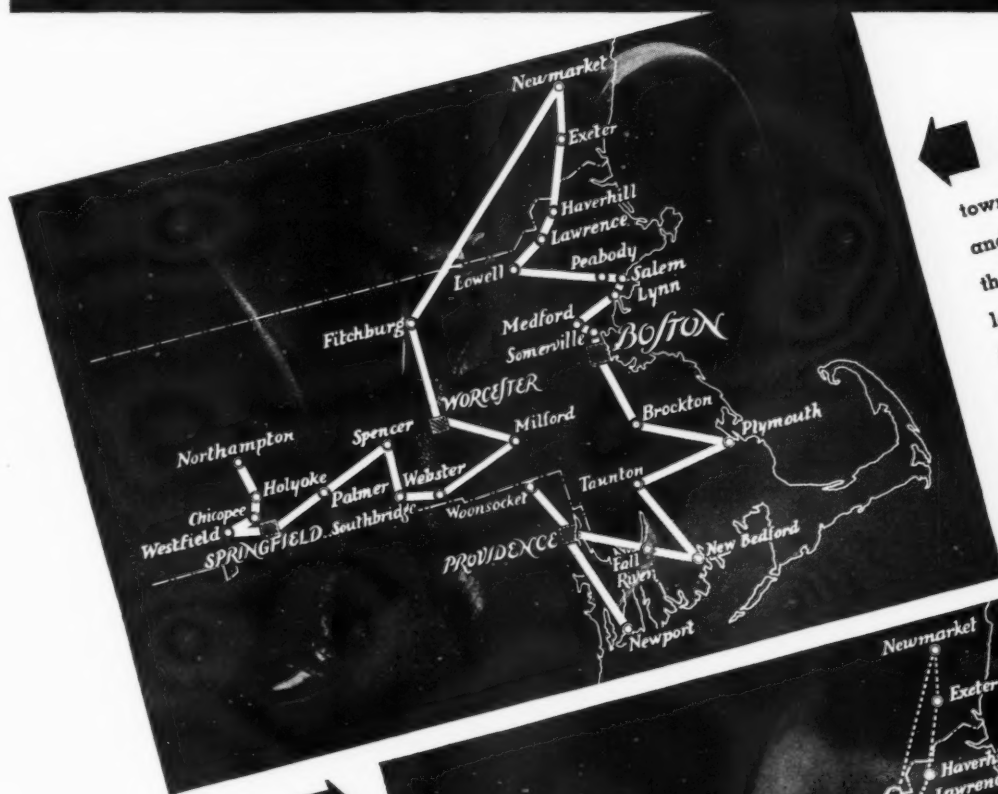
(b) That the discrimination make other than "due allowance for differences in the cost of manufacture, sale, or delivery resulting from the different methods or quantities in which such commodities are to such purchasers sold or delivered."

(c) The amended section does not contain the equivalent to (c) in the other column, but provides that as a matter of proof a prima facie case of discrimination may be rebutted by the seller "showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

(d) That the discrimination be not the result of the sellers' selection of customers "in bona fide transactions and not in restraint of trade."

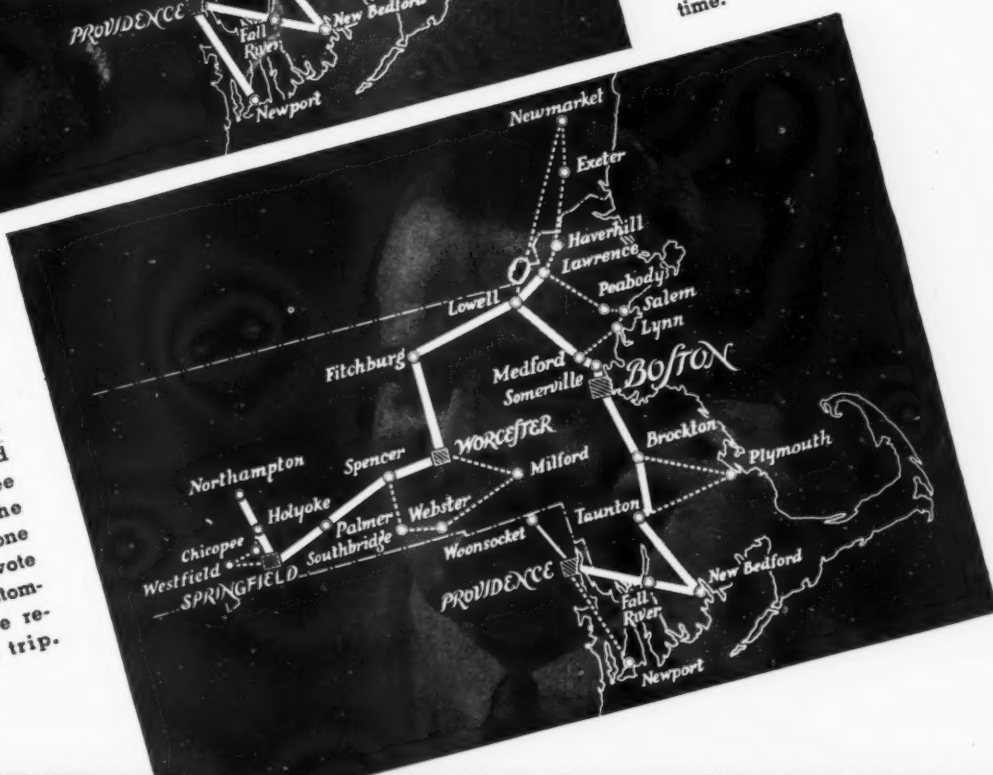
(e) That the discrimination be not the result of "price changes from time to time where in response to changing conditions affecting the market for or the marketability of the goods concerned, such as, but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process or sales in good faith in discontinuance of business in the goods concerned."

# SAME SALESMAN—SAME TERRITORY— but what a difference in RESULTS!



On this trip, a salesman traveled from town to town covering each customer and prospect. As indicated by the wide line on the map at left, he visited 111 customers in 31 towns. A careful check showed that 30% of the visits were non-productive because the customer could not be seen or was not in the market at the time.

On this trip, the salesman telephoned customers and prospects each afternoon in order to plan his next day's work. 34 visits proved unnecessary (because orders were received by telephone or customers away) and 14 towns were eliminated (see dotted lines on map). The salesman secured 15 telephone orders and was able to devote more time to his best customers. Four days less were required for this sales trip. Telephone cost, \$30.15.



THE FACTS and figures in this advertisement were reported by a wholesaler of house furnishings. They demonstrate again that—although nothing can entirely replace personal visits—the intelligent use of toll telephone service saves a lot of leg work and lobby-sitting—permits more productive selling. . . You can quickly and profitably prove it in your own business.





mediary is forbidden, except for services rendered, where the intermediary 'is acting in fact for or in behalf, or is subject to the direct or indirect control' of any party to the transaction other than the one paying the intermediary's compensation. Allowances for advertising and sales promotion work are declared unlawful unless they are made 'available on proportionally equal terms' to all customers who compete with one another. It is also declared unlawful to discriminate between purchasers of a commodity bought for resale by furnishing any services or facilities for processing, handling, selling, or offering for sale, that are not 'accorded to all purchasers on proportionately equal terms.' The new Act specifically declares it unlawful for any person engaged in commerce 'knowingly to induce or receive a discrimination in price' that is prohibited by the amended Section 2. The new Act affirmatively protects the right of a cooperative association to distribute its earnings in proportion to the volume of dealings of its respective members.

"As an aid to more effective enforcement of Section 2 of the Act, the Act provides that when the Commission shall have established a prima facie case of discrimination in price or services or facilities, the burden of rebutting such a case shall be upon the alleged violator and 'unless justification shall be affirmatively shown' the Commission may order the discrimination terminated. The theory of this provision is that the facts which constitute justification are necessarily in the possession of the alleged discriminator. The Act preserves all rights of action arising, litigation pending, and orders of the Federal Trade Commission, based on Section 2 of the Clayton Act, issued and in effect, or pending on review prior to passage of the new Act. Provision is made for reopening of proceedings concluded under the old law and the modification or amendment of the Commission's original orders to include any violations found of the new law. Court review is provided for as in the case of the old law.

### How Law Will Be Enforced

"Section 3 of the new Act makes it a criminal offense and provides a penalty of fine or imprisonment of persons who knowingly discriminate or assist in discriminating. This section, however, sets up a definition of criminal discrimination which is not identical with the definitions of discrimination contained in Section 2A to F inclusive of the new Act. Section 3 of the new Act also makes it a criminal offense to sell goods in any part of the United States at prices lower than elsewhere in the United States for the purpose of destroying competition or eliminating a competitor. It is also a criminal offense to sell goods 'at unreasonably low prices for the purpose of destroying competition or eliminating a competitor.'

"Authority to enforce compliance with the new Act, as distinguished from criminal proceedings, is by virtue of Section 11 of the Clayton Act vested in the Commission in all cases in which the new Act is not applicable to common carriers subject to the Interstate Commerce Act, as amended, to common carriers engaged in wire or radio communication or radio transmission of energy or to banks, banking associations and trust companies.

"The Interstate Commerce Commission has authority to enforce compliance by common carriers subject to the Interstate

**Flying Freight:** When a customer in Amsterdam, Holland, ordered a National-Williams Oil-O-Matic home heating unit he got it in a hurry via the Zeppelin Hindenburg. Completely assembled, ready for installation on arrival, the crate weighed 1,162 pounds—the largest freight shipment ever to ride the air lanes to Europe. National Air Conditioning Inc. made the unit, John Falkner Arndt & Co., Philadelphia agency thought up the stunt.



Commerce Act as amended; the Federal Communications Commission has authority to enforce compliance in cases applicable to common carriers engaged in wire or radio communication or radio transmission of energy; while the Federal Reserve Board has authority to enforce compliance where the Act is applicable to banks, banking associations, and trust companies.

"Other proceedings for violation and threatened violation of the new Act are provided for by other sections of the Clayton Act.

"Under Section 15, the Department of Justice is given the power to institute proceedings to prevent and restrain violations of the new Act and the right of any person, firm, corporation, or association for injunctive relief against threatened loss or damage by violation of the new Act is provided in Section 16 of the Clayton Act, excepting that an action for injunctive relief for threatened loss or damage may not be brought against any common carrier subject to the provisions of the Act to Regulate Commerce approved February 4, 1887, in respect to any matter subject to the regulation, supervision or other jurisdiction of the Interstate Commerce Commission.

"In addition to the proceedings that may be instituted to enforce compliance with, and to restrain violations of the new Act, a person who is injured in his business or property by reason of violations of the new Act may sue for three-fold damages and cost of suit, including a reasonable attorney's fee. This is provided for by Section 4 of the Clayton Act."

### Congressman Celler Interprets:

Congressman Celler of New York, as a ranking member of the Judiciary Committee, was present during many of the hearings on the bill. He was not a proponent, but he did take an active part in the debates. As a lawyer and a committee member he analyzes certain disputed clauses as follows:

"Are Large Buyers Protected in Any Way? Let us see. The statute ostensibly does away with discriminations in favor of the large buyer. But, actually, it may eventually work out so as to pro-

hibit discriminations against any competing buyer, large or small. The operation of the statute cannot be 'tethered to either end of the price scale.' As was pointed out recently by a well-known firm of accountants: 'When it appears that there is discrimination in favor of the small buyer, it might be held to be unlawful equally as it would be the other way about. It is entirely possible that a large buyer may not receive a sufficient discount over the smaller competitors, when the cost of doing business respectively is properly taken into account. This opens up a possibility which has not been mentioned by proponents of the legislation, and may not have been foreseen, namely, that in many instances large buyers have been carrying small buyers in varying degrees. Manufacturers may have to study costs from this viewpoint in order to avoid discriminating against large buyers.'

### Future Deliveries Safe

"What is the Effect on Sales for Future Delivery? A sells one hundred machines to B for delivery December 1. In the meantime, prices advance. Must A give any other 100 order purchaser the same price? No. Prices are not frozen. They may change. Otherwise the customers with foresight, ordering in advance in the anticipation of increase in prices, would be penalized.

"Does the Act Apply to Non-Competitors? No. A is a merchant in San Francisco. B is a merchant in New York. Manufacturer X sells the same quantities to both A and B, but gives B a discriminatory price. Does he violate the law? No. Because A and B are not competitors. Discriminations, to be unlawful, must be in favor of one competitor as against another.

"May a Seller in Interstate Commerce Grant a Price Discrimination in Favor of a Wholesaler as Against a Large Retailer of the Same Quantity of a Particular Commodity or Like Quality. This is a very perplexing question. The Act is not clear on this score. Much controversy has resulted. The matter was never adequately debated. This is the so-called wholesaler 'functional' discount. Wholesaler A and large Retailer B have placed with Manufacturer X the identical orders. X's profit (Continued on page 343)









# The Gold Gush of '36

**Will Pour Over 148 Millions in New Wealth Into the Oklahoma City Market.**

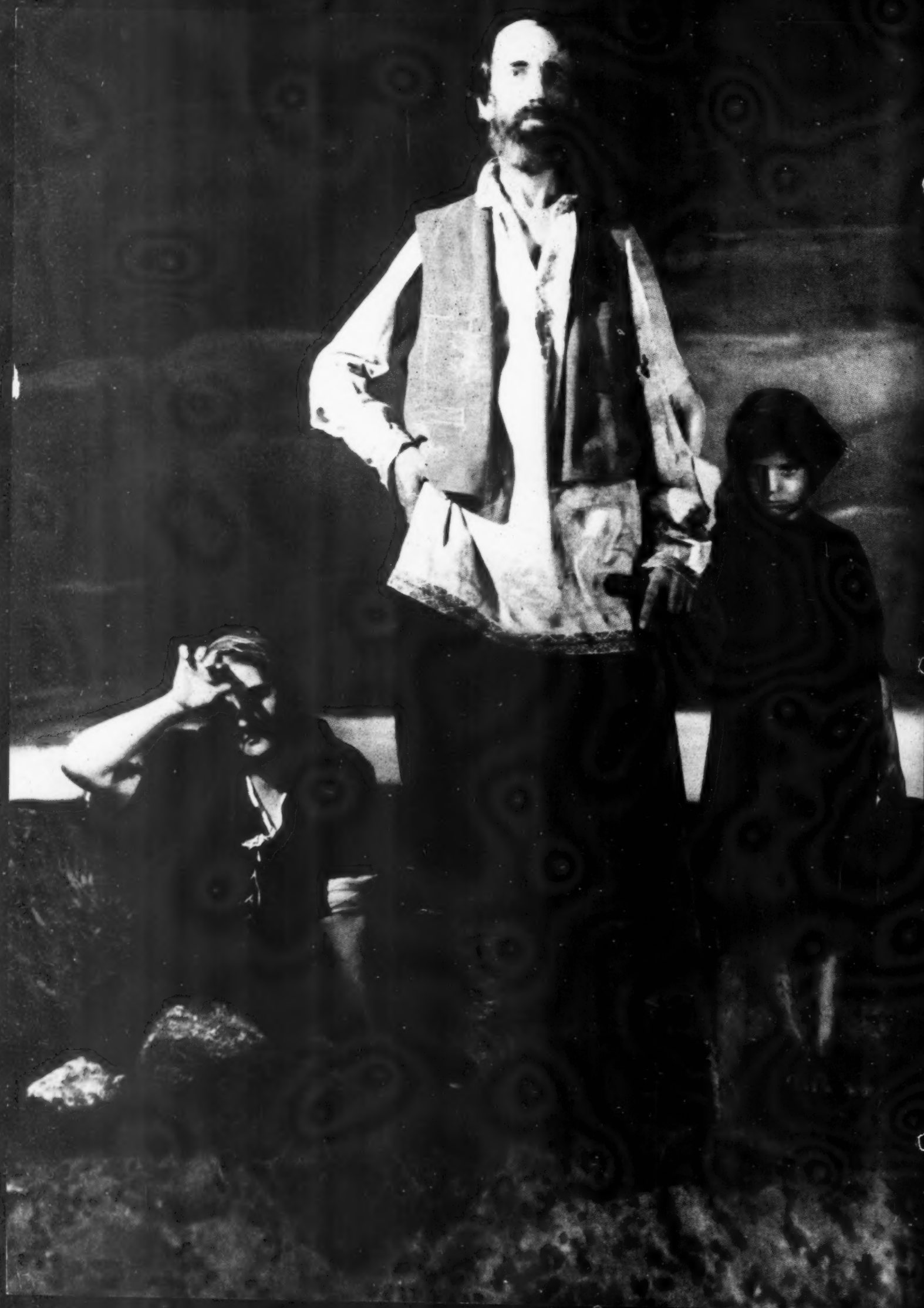
**O**KLAHOMA CITY'S general business is riding the crest of a wave of new wealth from oil. With more than 12 million barrels (average) produced monthly in Oklahoma City and its trade area, incomes are being boosted over \$148,000,000 annually. This is one of the reasons Oklahoma City's July business topped last year's gains by 13%.

All business indices during July reflected substantial gains. Bank debits totaling \$115,218,986 were 13% above last year . . building permits gained 380% and totaled \$1,275,644 . . postal receipts were up 11% . . water meters up 3% . . electric meters up 4% . . gas meters up 3½% and telephones up 7%.

Alert sales-managers will go after their share of Oklahoma City's new wealth during the next few months. One of the quickest, most effective ways to strike a responsive sales-chord in this prospering market is to concentrate an "A" schedule in the Oklahoman and Times. Your sales-story in these newspapers will go into 9 out of every 10 Oklahoma City homes; into 6 out of every 10 in the trade area . . . at the LOWEST milline rate in the State.

***The Daily Oklahoman - Oklahoma City Times***

***National Representative E. Katz Special Advertising Agency***









# "You can't fool us! We're the World's most fortunate people!"

*An American reporter interviewed a typical family in a dictator ridden European country, from which liberty had been banished. Hands gnarled from bitter toil, cheeks sallow from privation, clad in tatters...this family looked at our reporter with genuine pity. "You are an American? How sad!" they said. "We know that hundreds of your people are being shot monthly by capitalist controlled police. We know that thousands of your workers are dying from hunger. We know that no one in your country has the comfort or the security we have. We know that, in all the world, we are the most fortunate of people. We know all these things because we read them in our newspapers, which speak the truth because our government publishes them!"*

FANTASTIC?...Not at all! That family can be found in several countries today, where leaders—lustful for power, have learned the force that lies in ability to control or to fabricate what passes as news.

Dictatorship thrives on studied misrepresentation. It can't exist where the average citizen is given an accurate picture of local and world affairs.

Herein lie the strength and the hope of America. This country is no Utopia; it makes many mistakes and tolerates many temporary injustices. But, thanks to an unshackled press and the right of every man to speak his mind...this nation is never long in the dark concerning its shortcomings and maladjustments.

Here, in this country, the people may learn the facts. Knowing them, and once aroused, there is no illness—political, social or economic—our people cannot ultimately cure by the orderly and wise action of their own system of government.

Today, with democracy under fire, the Scripps-Howard Newspapers pledge themselves anew:

First, to give their readers clear, impartial, accurate news on both sides of every vital question.

And second, in their editorial pages, to outline with tolerance and logic their concept of the nation's wisest course.

## SCRIPPS • HOWARD NEWSPAPERS

MEMBERS OF THE UNITED PRESS . . . OF THE AUDIT  
BUREAU OF CIRCULATIONS...AND OF MEDIA RECORDS, INC.

NEW YORK <i>World-Telegram</i>	BUFFALO . . . . . <i>Times</i>	INDIANAPOLIS <i>Times</i>	AKRON . . . <i>Times-Press</i>	WASHINGTON . . <i>News</i>	KNOXVILLE <i>News-Sentinel</i>
CLEVELAND . . . . <i>Press</i>	CINCINNATI . . . . <i>Post</i>	DENVER . . . . <i>News</i>	BIRMINGHAM . . <i>Post</i>	FORT WORTH . . <i>Press</i>	EL PASO . . <i>Herald-Post</i>
PITTSBURGH . . . . <i>Press</i>	KENTUCKY POST <i>Coverington</i>	TOLEDO . . <i>News-Bee</i>	MEMPHIS <i>Press-Scimitar</i>	OKLAHOMA CITY <i>News</i>	SAN DIEGO . . . . <i>San</i>
SAN FRANCISCO . . <i>News</i>	edition of <i>Cincinnati Post</i>	COLUMBUS . <i>Citizen</i>	HOUSTON . . . . <i>Press</i>	ALBUQUERQUE <i>Tribune</i>	EVANSVILLE . . . <i>Press</i>

NATIONAL ADVERTISING DEPARTMENT, 230 PARK AVENUE, NEW YORK • CHICAGO  
SAN FRANCISCO • DETROIT • LOS ANGELES • ATLANTA • PHILADELPHIA • DALLAS



SCRIPPS • HOWARD

# International Harvester Tells How Industrial Films Carry Sales Burden



Sales and service men take in the premiere of a sound-on-film lecture in a branch showroom. International Harvester finds such a program far more effective than mere words.

America's Number 1 farm equipment manufacturer, pioneer user of sales films, says nothing can approach this tool as a medium for educating salesmen—and prospects.

**A**FTER 26 years' experience with films, International Harvester Co. finds "nothing even approaching them in educating our field men and salesmen. They reduce costs and do a far more effective job." International is probably the oldest user of pictures, silent, slide and sound, in sales work.

More than 100 International branch offices are equipped with DeVry projectors. Branch managers and advertising men arrange for showings of the films, which include scores of subjects. Exhibitions are held in the branches, in schools, theatres, at dealers' stores, at Rotary and Kiwanis clubs, state fairs, farm bureau meetings, and often to small groups or even individual farmers who are in the market for equipment.

The company made its first sales film, a one-reel silent, back in 1910. It showed trucks and binders and things moving around. No plot, just motion. Next year a two-reel picture was produced by the Essanay studio in Chicago. It was more ambitious, with a bit of love interest in the person of Beverly Bayne, a shining star of that day. So successful was this "Back to the Farm" film that International exhibited it far and wide in a tent—black to keep the light out.

Ten years ago sales pictures had demonstrated their worth so completely that the company supplied all its branches with projectors. Technical methods have, of course, advanced tremendously since those early days when *any* picture was a novelty. So, too, have selling methods.

Originally the company did not attempt to sell its own products in the pictures, merely impressing the idea of power farming and the use of mechanical equipment on the farm.

Let 'Er Buck: Scene from an International Harvester film illustrating how a Diesel TrucTracTor plows over and through the most difficult ground. Farmers don't need to be convinced of the machine's ruggedness after watching so graphic a demonstration.



This institutional advertising helped competitors, as well as International, but the company officers believed, "We were doing an important part of the business and figured we'd get our share of the new volume produced. We do it differently now."

Among the scores of films currently available International has newsreels, comedies, explanations of mechanical details, and dozens of other subjects for farmers and salesmen. Titles of some of the present-day pictures include:

## Silent Films:

- Fruitland (2 reels)
- Home Builders (3 reels)
- In the Spud Country (2 reels)
- The Making of Steel (2 reels)
- The Making of Twine (2 reels)
- Alfalfa (1 reel)
- Test Every Ear of Seed Corn (1 reel)
- Gather Seed Corn Early (1 reel)
- Growing Corn (1 reel)
- Harvesting Corn (1 reel)
- Soy Beans (1 reel)
- Hog Health Makes Hog Wealth (1 reel)
- Hogs for Pork and Profit (1 reel)
- Greater Profit from Milk (1 reel)
- The Making of a Good Cow (1 reel)
- Milk, Nature's Perfect Food (1 reel)
- Business Hens (1 reel)
- Producing Paying Pullets (1 reel)
- Sheep for Mutton, Wool and Money (1 reel)
- Home Canning (1 reel)
- Power in the Farm Home (1 reel)

## Sound-on-Film Pictures:

- Building Boulder Dam (1 reel)
- Farmall Does the Job (1 reel)
- Farmall Farming Marches On (1 reel)
- Farm Inconveniences (1 reel)
- Farming the Farmall Way (1 reel)







# The Richest Consumer Market ever reached by any magazine



## WOMAN'S HOME Companion

The Crowell Publishing Company, New York  
Publishers of COLLIER'S • WOMAN'S HOME COMPANION  
THE AMERICAN MAGAZINE • THE COUNTRY HOME  
The Largest Magazine Audience in the World—More than 9,000,000 Circulation

● 2,845,346 women readers! That is the net average of *Woman's Home Companion* for the first six months of 1936—the new peak of a circulation that has swept upward month after month, leading all women's publications.

And since the greater part of the consumer dollar is spent by women, *Companion* readers now constitute the richest market in the magazine field.

Women have shown this preference because *Woman's Home Companion* has given them more helpful and practical editorial service. It has kept in closer contact with them . . . gained fuller understanding of their problems and become better equipped to solve them.

Today this is true more than ever. Over a thousand homemakers, acting as Reader-Editors, make monthly reports on assigned household subjects . . . enable the *Companion* to edit specifically to expressed needs, known wants. And the facts these women reveal are equally valuable to advertisers—give them a testing board of public opinion, a charted course into their market.

Also available to *Companion* advertisers are the Jean Abbey and Carolyn Pryce merchandising services that follow through to the point of sale . . . in department stores or grocery chains . . . with window and counter displays, radio broadcasts, special promotions.

Total these advantages . . . the most resultful merchandising in the field—a new peak of reader intimacy—an all-time high in circulation—the richest consumer market ever reached by any magazine.

. . . then consider that advertising costs per thousand readers are now the *lowest* in *Companion* history!





Another scene from an IH film depicting a TrucTracTor terracing a field to reduce soil erosion. It was taken on one of the governmental projects in the West.

International Harvester Diesel (3 reels)  
Internationals on the Job (1 reel)  
International Power in Industry (1 reel)  
Looking Into Farmall 12 (3 reels)  
McCormick-Deering Corn Planter (1 reel)  
Pay Dirt (1 reel)  
Romance of the Reaper (5 reels)  
Soybeans for Farm and Industry (1 reel)  
Story of Binder Twine (1 reel)  
Terracing to Save Our Farms (1 reel)

An official of the company states, "We have more than 100 branches and those in charge of them hold many meetings a year. Training these managers so that each will tell a story that is entirely right each time is impossible.

"Even the most skilful speaker or salesman has his ups and downs. One day he will be in good form, but the next day he may forget a part of his talk or lose a portion of his enthusiasm. But let us get a talk on a sound film, with accompanying illustrations, and we know it will be presented exactly the same way every time.

"Then, we may wish to demonstrate the inner workings of a machine. It is costly and takes much time to tear the machine down at every meeting and then put it together again. Besides, if you do this only those in the front rows can see what is going on.

"But with photographic films and animated drawings, plus the sound film telling the story, every man present can get the full story every time and see plainly just what we want him to see.

"We have an 11-minute reel which illustrates every mechanical feature of our corn-planter and tells the story in the least possible number of words. Another three-reeler gives the entire story of our Tractor F-12, covering its construction and mechanics.

"It has, for example, an automatic brake which is controlled by the turning of the steering-wheel. We

can show how it works, very simply, by motion pictures. How else could it be adequately explained to a number of people in a lecture hall?

"Diesel engines are attaining wide popularity for farm use. They are being used more and more on roads and heavy construction jobs like dams and irrigation ditches. We manufacture not only a wheeled diesel, but a diesel-driven unit which we call the TrucTracTor.

"The injection pumps for these diesels are machined more accurately than the finest watch. On some pieces we work to a quarter of a tenth of a thousandth of an inch! That's finer machining than you get in the highest priced motor car.

"These diesels have to work out in the open in dirt, dust, wind and rain. The fuel oil has to be filtered so that no grain of dust, no matter how small, can get through the injection pump. How can the filter and the pump be described? Not with words; but with a picture it is very simple.

"Many of our pictures are made by the Chicago Film Laboratory, whose experts work closely with our experts. We have employed other film producers in points as far away as Florida, Seattle, and Los Angeles. Sometimes we send them right out onto construction jobs. Occasionally a newsreel comes along that just fits into our requirements. Could we train a corps of men so that they could tell a complete story to varied audiences, and to our sales force scattered over the country and hope to get them to do the job the way our films do? Never!"

International sold more than \$50,000,000 worth of trucks last year and spent more than \$8,000,000 for plant improvement. It came through the depression with a backlog of about \$60,000,000 in "cash or equivalent," according to its financial reports.

## FTC Stops R. H. Macy from Selling "English" Safety Razor Blades

Alleging that R. H. Macy & Co., New York department store, misrepresented a brand of safety razor blades, the Federal Trade Commission has issued a "show cause" complaint to that firm. The respondent has until September 25 to explain why it should not end the practices named.

In the complaint it is alleged that "Macy's Double Edge DeLuxe Blades" are sold under the designation, "Made of English Razor Steel." In advertising the respondent represents:

"We went to Pennsylvania for a new secret-process, high-speed steel. In ingots we took it to England to be rolled to a ribbon, because English armorers roll steel with unbeatable accuracy. We brought the ribbon-reels back from England and had them cut into blade shapes, then honed and stropped with more loving care than we've ever seen put into such a job."

In fact, says the complaint, the blades are stock blades made by the Utility Blade Corp., of Maplewood, N. J.; are made for sale and are sold to retailers generally; are not made under the respondent's supervision; are not made of English razor steel, but of steel made and fabricated in the United States, except that the steel is rolled in England. The complaint avers that there are other retailers who purchase blades from the same manufacturer, and from other manufacturers, who do not misrepresent them, and that the misrepresentations alleged have the capacity and tendency to divert business to the respondent company from its competitors, to the injury of such competitors.

For many years, the complaint continues, English cutlery has borne the reputation of being of superior quality; furthermore, that the respondent's false representations that it oversees each step in the manufacture of these blades tends to lead a substantial part of the public to attribute to them a quality not usually attributed to merchandise made for the trade generally.

### Printers Train to Tour

A Printers Progress special train will leave New York September 16 for a 16,000-mile "streamline honeymoon" across the continent. Sponsored by American Type Founders, Elizabeth, N. J., and some 17 printing industry manufacturers, its three cars will exhibit the latest trade developments. H. W. Alexander, American's general s.m., explains that admission will be by ticket only to those in graphic arts. Trade paper ads and "siege-gun publicity" will provide a "tremendous fanfare."

SALES MANAGEMENT



## There are extra profits in the volume sales made by these Volunteer Salesmen

**H**ere is a mass market—of a special kind. It is the "top mass" market in the nation's key sales center. It is the market composed of the intelligent, able-to-buy readers of The New York Times.

Here are volume sales — more sales than your star salesmen can make in three or four good-sized cities combined. Here are profit-making sales, because in this concentrated market of ready-to-buy prospects sales costs are low.

But advertisers in The New York Times get more than this. Besides the sales from the "top mass" market of The Times, they enlist the services of a host of volunteer salesmen.

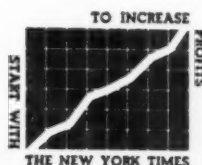
Many of the readers of The Times are leaders in their communities—

not only in New York but throughout the country. The buying judgment of these influential persons is a powerful force in swaying the buying decisions of scores of others. Many products that have become nation-wide successes were launched with advertising that first appeared in The New York Times.

These plus-sales that cost you nothing to obtain, added to the "top mass" market sales, will create extra profits for you as they have for other advertisers in The Times. For years, more national advertising has appeared in The New York Times than in any other newspaper or magazine in the country. Definite proof of consistent results. Telephone or write for a representative of The Times to show you how you can increase sales and profits.

# The New York Times

*"All the News That's Fit to Print"*



# Buying of New Equipment Nears Record Figures in Transportation Field

## \$360,000,000 INVOLVED IN FIVE YEAR TRANSIT IMPROVEMENT PLAN



JOHN A. MILLER  
Editor  
Transit Journal

*Engaged in the most spectacular modernization program of its entire history, the transit industry is now purchasing equipment at a rate far ahead of last year, when a 25-year record of over 4800 new passenger cars was established.*

After five years of research and experiment, the new trolley car developed by the Electric Railway Presidents' Conference Committee is ready. Several big city companies are specifically interested. Orders for upwards of 400 of these cars are expected by the end of the year.

The popularity of the electric trolley bus has been increasing. More new ones have been ordered even in the first half of the present year than in any previous twelve months. Gasoline motor bus orders placed by the local transit companies are also headed for an all-time peak. Companies in New York, Brooklyn, Philadelphia and San Francisco are adding hundreds of new cars on rapid transit lines.

This great modernization movement is expected to continue. Over 25,000 of the 44,000 electric cars and over 11,000 of the 19,000 buses in use today will be obsolete before the end of 1941.

Replacement vehicles will cost on an average of \$10,000 each. To modernize its equipment, therefore the industry must spend a total of \$360,000,000 in the next five years.

Gratifying increases in passenger traffic and revenues which have continued without interruption for over a year, have strengthened and encouraged the transit industry, to plan ahead with confidence in the future.

Purchases of operating and maintenance equipment, accessories and supplies are keeping

pace with the increasing activity of the local transit companies. Other industries therefore participate in the improved conditions. Orders for steel and other metals, wire, electrical equipment, fuel, lubricants, paint and varnish, cement and scores of other special and staple commodities are moving at an increasing rate onto the books of manufacturers who are sales-minded enough to see the opportunities—and to go after them with products and sales stories keyed to today's conditions in the transit industry.

## BUS OPERATORS BUYING EQUIPMENT AT RECORD RATE THIS YEAR



CARL W. STOCKS  
Editor  
Bus Transportation

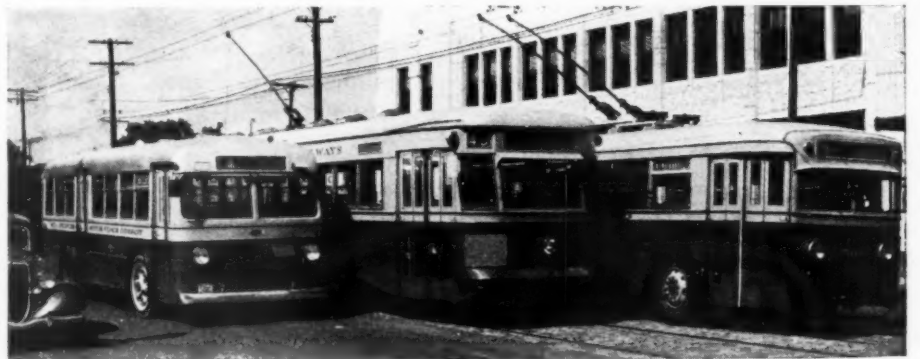
So far this year, it is estimated that the bus industry has bought nearly \$45,000,000 worth of new vehicles, with a more than even chance of doing at least as well in the remainder of the year. At the present rate it is probable that almost 20,000 buses will have been delivered by the close of this year. This will represent a 28% increase over last year, despite the fact that

bus purchases hit an all-time record in 1935.

The largest delivery of vehicles to a single operating company in the first six months of 1936 was the 348 units which went to the New York City Omnibus Corporation. An order for 350 buses to Greyhound is now being filled, and the first of these new style streamlined rear-engined vehicles are just going into service throughout the country. *Everywhere the industry is buying.* Many orders are for lots of 25 to 50 buses. The business is exceedingly well distributed with the smaller producers as well as the major manufacturers working to capacity. In fact, orders are now being accepted on the basis of 90-day delivery.

New terminal projects and garages, as well as the enlargement and modernization of existing facilities, mean jobs for local contractors and orders for materials of construction.

Current statistics of the industry show that operators are running each existing bus, more miles per month, and this together with the establishment of new bus lines in many localities, means a constantly growing market for gasoline, lubricating oil and other automotive maintenance supplies. Indeed, the bus industry spends well over a hundred million dollars per year for maintenance materials and operating supplies. As a market for gas, oil and



# McGRAW - HILL

McGRAW-HILL PUBLISHING COMPANY, INC.,

American Machinist  
Aviation  
Bus Transportation  
Business Week

Coal Age  
Chemical & Metallurgical Engineering  
Construction Methods  
Electrical Contracting

Electrical Merchandising  
Electrical West  
Electrical Wholesaling  
Electrical World



tires, each new bus added to existing fleets is equivalent to more than twenty private automobiles.

## AIR TRANSPORT ENJOYING SOUND BUSINESS EXPANSION



S. P. JOHNSTON  
Editor  
Aviation

*This year a million people will fly on the airlines! This is up 33% over last year and more than double the traffic of 1934.*

Every day passenger traffic, mail and express cargoes are mounting to new highs. Air express has doubled in volume over last year. Commercial aviation is earning its rightful place in national and international transportation. Speed, comfort and safety are now taken for granted. *Equipment is being modernized on all air lines, and construction is now under way on larger and faster machines which are expected to replace present ships by early 1938.*

Military manufacture is at an unprecedented peak, with appropriations for new planes and engines totaling about \$60,000,000—nearly quadrupled over the low point of 1934. Interest is reviving in private and industrial ownership

of aircraft. One manufacturer of a light airplane selling at about \$1500 has recently placed an order for 1500 engines, the largest single non-military order ever placed. In 1935 the estimated purchasing power of the aviation industry was \$167,000,000. The probable figure for 1936 is over \$180,000,000. Manufacturers of materials, supplies and accessories are now working at top speed to keep up with rising demands.

Better business for the aviation industry carries with it better times for other industries as well. The basic raw materials, aluminum, steel, rubber and wood are being used in greater quantities. New airports call for greater consumption of cement and other paving materials and will also absorb increasing quantities of electrical equipment, lights, wiring, control units, etc. The petroleum industries benefit from increased use of gasoline and oil. Even such heavy equipment as tractors is finding an active market in this industry, not merely for use on construction, but for daily work about the airport, towing planes, removing snow, and miscellaneous maintenance jobs.

Employment figures in aircraft manufacturing and airline operations are mounting. The schools are being hard pushed to supply trained men to meet current demands. The aviation industry is well out in front in contributing to the recovery of American business.



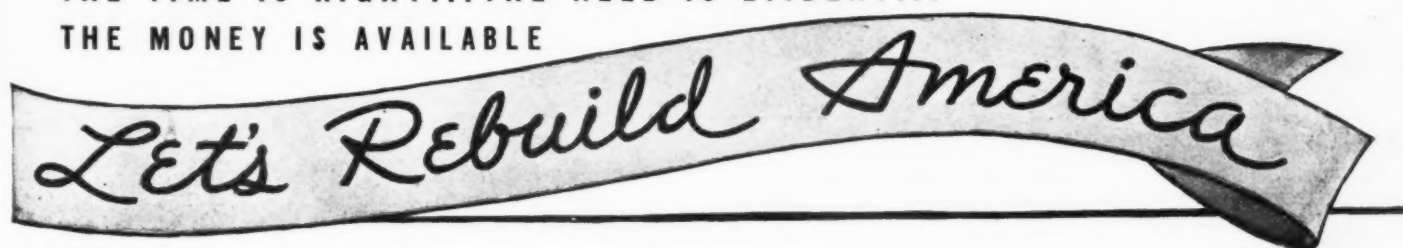
*Every day, passenger traffic, mail and express cargoes are mounting to new highs.*

★ ★ ★

WITH vehicles of new and improved design, offering advanced standards of speed and comfort, profitable passenger traffic is being won back to the electric railway lines. Meanwhile buses and air transport lines are creating new business where none existed before. Factories are humming with orders for transportation equipment. Employment is being found for many men as bus lines and air lines are extended. These are markets worth cultivating! New sales opportunities are arising every day in these transportation fields. Advertising, in properly selected business publications will help you to seek out and educate prospects. Advertising will help you to make sales contacts with these prospects, regularly and at an average cost of about one cent per contact.

★ ★ ★

THE TIME IS RIGHT...THE NEED IS EVIDENT...  
THE MONEY IS AVAILABLE



# PUBLICATIONS

330 WEST 42nd STREET, NEW YORK, N. Y.

Electronics  
Engineering & Mining Journal  
Engineering News-Record  
Factory Management & Maintenance

Food Industries  
Metal & Mineral Markets  
Mill Supplies  
Power

Product Engineering  
Radio Retailing  
Textile World  
Transit Journal

SEPTEMBER 1, 1936

[323]



*Ewing Galloway*

What will a potential employer know about them, after these young men have filled out the application blanks? Almost nothing, perhaps, unless he supplements the data with adequate personal interviews. Like the mirrors on the Midway, the answers on the blank magnify, minimize, always distort.

**B Y  
FRANK  
GERAGHTY**

## Can Sales Ability Be Measured by a Typical Application Blank?

**W**HAT is this thing called "Salesmanship"? Is it a gift of God? Must a man be born with it or is it something that is "catching," but to which many, except a favored few, are immune?

After two decades in the direction of sales of a number of unrelated products and in association with several thousand salesmen, the writer has come to the conclusion that natural salesmanship, as the term is commonly used, is a very rare attribute.

For every manufactured product there are a number of persons desirous of owning it. To bring the buyer and seller together in the quickest and most economical time is the problem the sales manager has to cope with.

In the solution of this problem, the one responsible for sales volume will save himself much valuable time, money and mental anguish if he refrains from seeking too hard for that indefinable thing referred to as "salesmanship," when adding men to his organization.

When a sales force is being increased we frequently find the typical employment questionnaire prying into the applicant's most intimate affairs. Psychologically some of these questionnaires are excellent, provided the one who developed the list of questions is the one to interpret the answers, but seldom is this the case. Most of the questions are outrageously offensive and impertinent. The man who asks a person to fill one out wouldn't do

so himself under any circumstances.

There are facts which should be known about a prospective employee. Obviously, in the case of a salesman, it is well to know his marital status so travel and territory may be conveniently arranged. His age is of little moment if his personal appearance, general bearing, and intelligence are up to the standard demanded by the product offered and the trade to be called upon. But, when a man's religion, amount of life insurance, bank balance, savings, and his obligations are asked, then the breaking point is being rapidly approached.

References? How many years of sales experience? Member of what lodges and clubs? Employers for past 20 years? Reason for quitting each job? Just how important are any of these in the selection of men who must go out into the highways and byways hawking the maker's wares?

Names can be asked to act as a sort of introduction, but it must be known to the average person that a thief or a ne'erdo-well will be provided with apparently glowing recommendations and evidences of accomplishment, while a man intending only to make an honest living may not be able to pull tributes from his pocket, for many perfectly legitimate reasons.

Then, too, the job may require the plodding, hard plugging type of man who never attains the spectacular, and desirable applicants will not possess letters extolling virtues found only in super-men.

Decidedly not, says this experienced observer, an executive of W. A. McDermid and Associates, merchandising counsel; the worst men are likely to have the best references. The editors invite letters of comment from readers on the subject of how to design thoroughly practical application blanks.

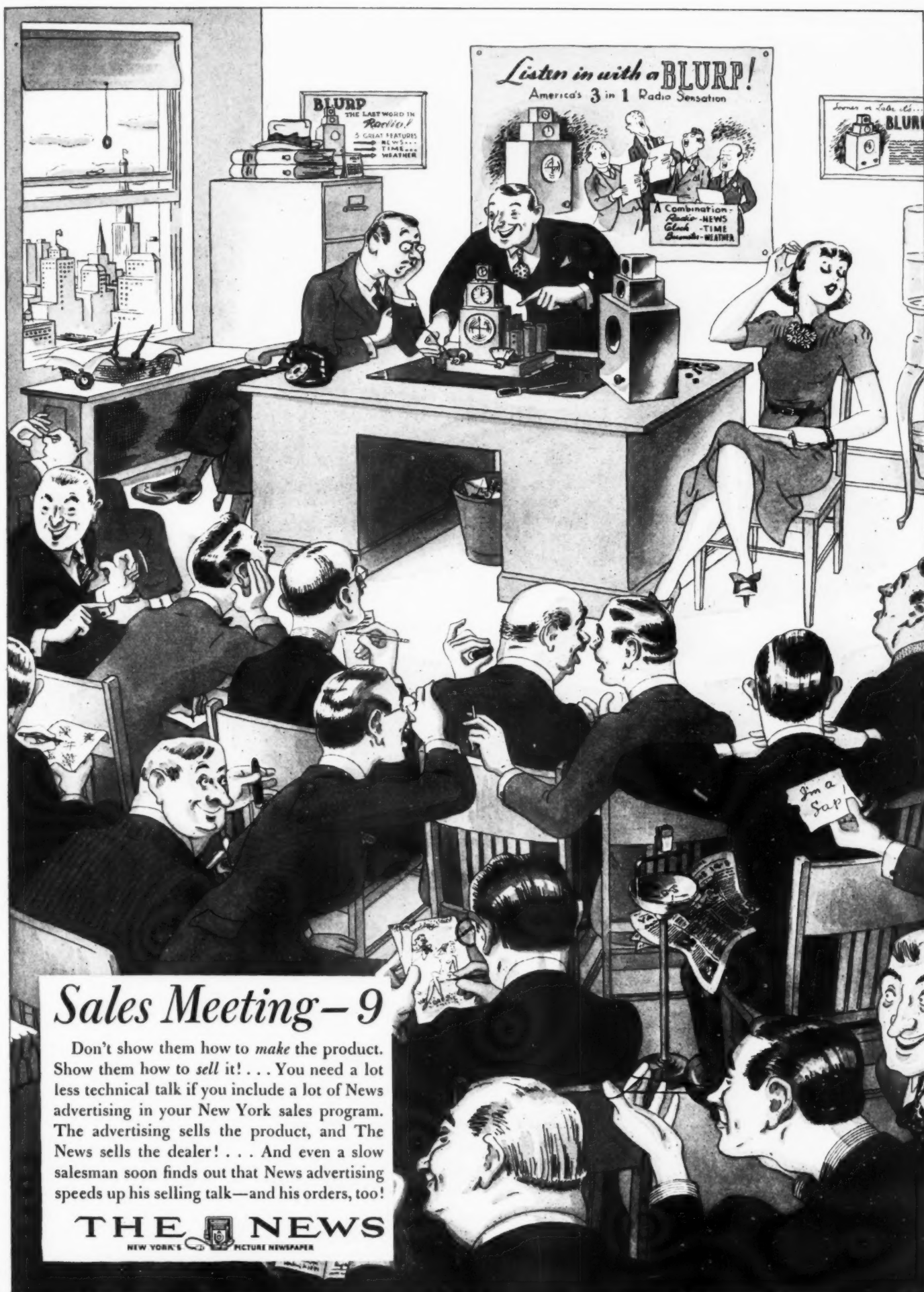
Years of sales experience? There is a moot question. Is it always necessary and desirable to employ as salesmen those who have done no other type of work?

Adding men to the sales organization is expensive. Few new men begin to earn their remuneration before three months. Snap judgment in the selection of salesmen should be avoided.

Abolishment of the complicated questionnaire and the substitution of the slower, but far more satisfactory, personal interview with each applicant usually works out better.

The personal reaction of the sales





## Sales Meeting—9

Don't show them how to *make* the product. Show them how to *sell* it! . . . You need a lot less technical talk if you include a lot of News advertising in your New York sales program. The advertising sells the product, and The News sells the dealer! . . . And even a slow salesman soon finds out that News advertising speeds up his selling talk—and his orders, too!

**THE NEWS**  
NEW YORK'S PICTURE NEWSPAPER



manager to the applicant at their first meeting is important. Are his appearance, the confidence he unconsciously inspires, the manner in which he sells himself such that they are pleasing to the interviewer? This reaction will affect the trade he visits much as it does the sales manager.

It is desirable to devote an hour or two of personal conversation with the likely applicants, after the preliminary elimination of the obviously unsuitable. Such an interview will bring out more real information than any questionnaire that could be developed.

The sales manager will observe how truthful the applicant is, determine whether the applicant is possessed of that valuable attribute, "resourcefulness," whether he offers spontaneous suggestions for possible improvements and new uses for the products he will sell after he sees them for the first time, and the speed with which he grasps the purposes of the products.

A telephone call to a previous employer in the presence of the applicant will give a quick clue to his "wearing qualities." Why he left his last position will often bring two answers, one from the employer and the other from the ex-employee. But after all, what difference does it make why he left, unless for dishonesty? Frequently former employers give bad references for reasons which have no relation whatever to the qualifications of the man, but which trace back to personal prejudices.

What are the tastes and inclinations of the applicant? For mechanical products one mechanically inclined will be better. What are his diversions? How does he employ his leisure time? What are his preferences in reading and in entertainment? What are his ambitions? How many things has he

started to do and how many of them has he actually completed successfully? Is he given to exaggeration and does he gossip of his former employers?

But that "salesmanship" gift we hear so much about is the bunk. There are so few men possessed of all the qualifications which theorists feel are essential to the make-up of the "natural-born" salesman that it is a waste of time to seek for one of them.

Selling is a profession and some individuals are more inclined to it than to other endeavors. The "high-power" salesman we used to know, the "one-call closers," are still with us, but they are scarce. No permanent sales force can be built entirely on them. They were and are, in many cases, an accidental combination of ingenuity, intelligence and a line of goods particularly adapted to a certain type of presentation.

The sales manager will better devote his efforts toward securing types of men who will be susceptible to education and who may be trained to the selling of specific products. Scientifically planned sales procedure is more positive in results than dependence upon the "personality" and individual method types.

A large brick manufacturing company in 1931, was suffering from the effects of the slump in building construction. The building industry as a whole was operating at about 10% of normal and this particular business was badly shot.

The active management of this concern was assigned to the writer and a number of changes in personnel proved to be expedient. It was advisable to dispose of the services of three of the salesmen who had spent their business life selling brick. In their places three new men were em-

ployed. One had been a draftsman, another a mechanic, and the third was a newly hatched engineer, all in a different age group.

These men were selected from a group of applicants because each successfully "passed" the personal interview test, in competition with many men who might have been able to fill out more elaborate questionnaires. No attention was given "past performance" in selling, nor to knowledge of the brick business in this selection. The company was in retrograde in spite of the operations of the present experienced sales force, and it was thought that a complete change in technique might show an improvement. Business could not get any worse and there was the possibility that improvement might be shown by a carefully planned, long-range "specialty" type selling campaign.

After a few days in the office and two weeks at the plant and a week on the street with a district manager, territories were assigned each of the new men. At no time during this short educational period were the older salesmen permitted to enter into the course of instruction; as a result the newer arrivals learned only the "positive" side of the brick business. They were not given the opportunity of hearing the things which "could not be done."

## Where Veterans Feared to Tread

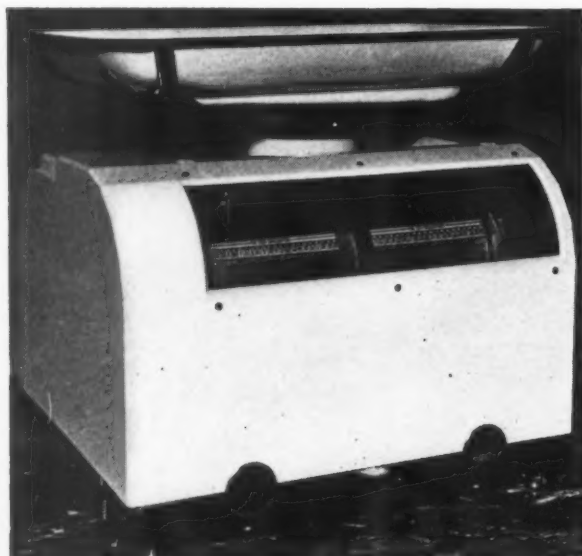
For many years this particular brick had been sold as a commodity for use in a limited number of places. The older salesmen, in point of service, had secured a large share of the business in these specific fields principally through the largest architectural offices.

Several meetings were held for the purpose of "selling" the brick to the new men. While instances were cited of past uses of the product, it was made quite clear that there were many other places where such an unusual brick would fit in. The product was pictured as being a lot different from the usual competing products, and the imagination of the new salesmen was stimulated to find additional places for it in a greater variety of buildings.

In less than four months after joining the company these three newcomers were selling more brick, in more new places, getting better prices and securing recognition in a wider field than their predecessors, who had always maintained that these things could not be done.

The older "stars" had been spoiled and softened by the building boom of ten years. They sought orders for millions of brick and kept up their close

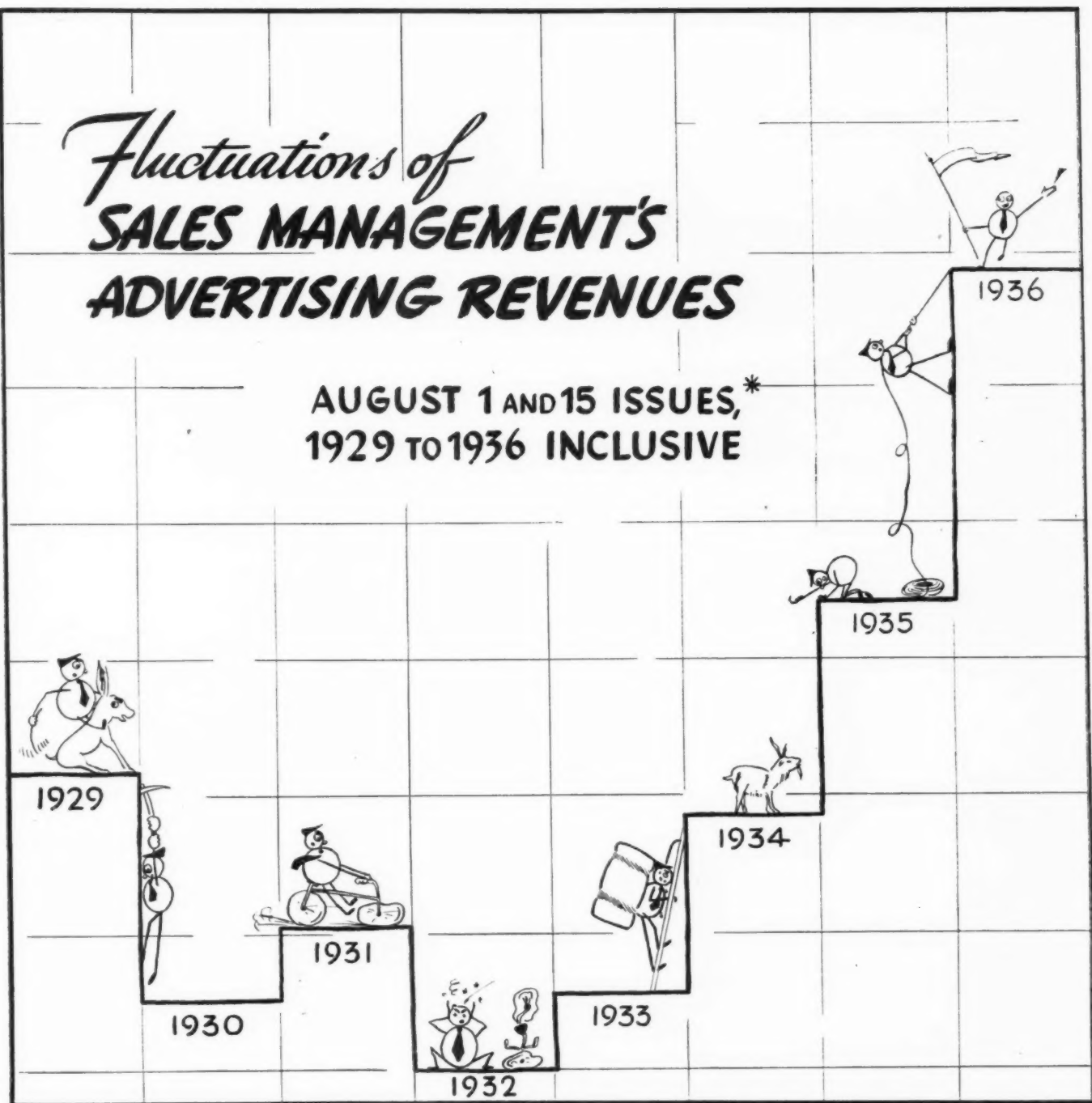
(Continued on page 341)



Sales Up! "Since our newly designed dealer scale was announced one year ago today," said President H. D. Bennett, of Toledo Scale Co., July 31, "sales have increased 40%, only 7% of which is accounted for by the old model. Thus our change from heavy metal housing to much lighter Plaskon and a new shape that makes the whole scale so small that it doesn't hide counter displays back of it, seems to have done us a lot of good." The newest model for fruits and vegetables has a pan instead of a flat platform and a chart computing prices only up to 40 cents a pound instead of \$2.

# Fluctuations of SALES MANAGEMENT'S ADVERTISING REVENUES

AUGUST 1 AND 15 ISSUES,  
1929 TO 1936 INCLUSIVE



\* For the first 8 months the  
increase over 1935 was 32.9%



**Biggest:** Jacob Ruppert and Douglas Leigh, Inc. believe this painted sign is the largest in America. It is assuredly the largest on Broadway. Located in the center of the White Way, it is a block wide, five stories high—more than 7,500 square feet. The Leigh company has 75% of all beer ads on Times Square.

## Chicago American Asks Dealers What Liquors Sell Best

**I**N making a survey of the retail liquor business of Chicago recently, the *Chicago Evening American* checked 2,758 preferred outlets out of a total of 7,981 in the city. The package stores and taverns checked, mostly in shopping centers and at street car transfer corners, do the real volume of business.

The purpose of the survey was to determine the best selling brands of all whiskies, of blended whiskies, of straight whiskies, of bonded whiskies, and of gins.

In reply to the question, "What Is Your Best Selling Whisky?" 2,512 reported satisfactorily, while 246 refused complete information. A total of 363 whiskies, approximately 50 of them brands specially labeled for the outlet, were given first rank in one or more places.

The brands named as best seller in 10 or more outlets, in order of their popularity, were given as follows:

Brand	Total Package Stores	Outlets	Taverns
Cream of Kentucky.....	672	262	410
Old Quaker .....	290	183	107
Hiram Walker "99".....	281	38	243
Wilken Family .....	82	47	35
Woodstock .....	56	13	43
Chapin & Gore.....	50	10	40
Kessler Private .....	42	5	37
Windsor .....	38	20	18
Old Drum .....	37	5	32
Seagram's Five Crown.....	36	21	15
G & W Bar Special.....	27	3	24
Mattingley & Moore.....	23	2	21
Silver Dollar .....	22	8	14
Bottoms Up .....	20	17	3
Crab Orchard .....	20	17	3
Hannah & Hogg.....	20	4	16
Grommes & Ullrich.....	20	6	14
Calvert Special .....	18	3	15
Trenton .....	18	4	14

J. W. Dant.....	13	3	10
Oakville .....	13	0	13
Private Brand .....	13	8	5
Seagram's Seven Crown.....	13	6	7
Old Hickory .....	11	3	8
Hiram Walker's Bourbon.....	10	0	10
Old Log Cabin.....	10	2	8
Piping Rock .....	10	1	9

In reply to the question, "What is your best selling *blended* whisky?" 2,280 reported satisfactorily while 303 refused complete information. No blends were stocked in 175 places. Eighty brands were reported only once by retailers as their best sellers.

The blended whiskies reported as best sellers in 10 or more outlets were as follows:

Brand	Total Package Stores	Outlets	Taverns
Wilken Family .....	896	457	439
Seagram's Five Crown.....	559	263	276
Old Drum .....	194	34	160
Seagram's Seven Crown.....	154	41	113
Kessler Private Blend.....	146	31	115
Mattingley & Moore.....	62	10	52
Calvert Special .....	46	12	34
Cobbs Creek .....	32	12	20
Tom Hardy .....	24	4	20
Four Roses .....	19	11	8
Calvert Reserve .....	10	4	6
Paul Jones .....	10	2	8
Penn Maryland Regal.....	10	2	8

In reply to the question, "What is your best selling *straight* whisky?" 2,442 dealers reported satisfactorily and 316 refused complete information. Ninety-seven retailers reported as best seller an unidentified brand of straight whisky made or bottled especially for them.

A total of 176 brands were reported as best sellers only once. Another 157 brands were reported as first in two or more places. Straight whiskies reported as best sellers in 10

or more outlets, in the order of their popularity, were:

Brand	Total Package Stores	Outlets	Taverns
Cream of Kentucky.....	776	304	472
Old Quaker .....	354	217	137
Hiram Walker's "99".....	298	41	257
Chapin & Gore.....	56	10	46
Woodstock .....	52	13	39
Windsor .....	45	26	19
G & W Bar Special.....	31	3	28
Silver Dollar .....	30	11	19
Crab Orchard .....	24	20	4
Bottoms Up .....	23	20	3
Grommes & Ullrich.....	23	6	17
Hannah & Hogg.....	21	4	17
Old Hickory .....	18	6	12
Trenton .....	18	4	14
Oakville .....	15	0	15
J. W. Dant.....	13	3	10
Old Crow .....	11	4	7
C. O. Taylor.....	10	1	9
Hiram Walker Twin Seal.....	10	7	3
Old Log Cabin.....	10	2	8
Old Underroof .....	10	0	10

In reply to the question, "What is your best selling *bonded* whisky?" 2,258 reported satisfactorily with 362 refusing complete information. No bonded whisky was stocked in 138 outlets. Only 44 brands of bonded whisky were reported as best sellers in one or more places.

The brands reported as best sellers in 15 or more places were as follows:

Brand	Total Package Stores	Outlets	Taverns
Old Grand-Dad .....	407	154	253
Hill & Hill.....	369	136	233
Seagram's V. O. ....	336	191	145
Old McBraver .....	157	44	113
Canadian Club .....	150	96	54
G & W Bonded.....	116	34	82
Old Taylor .....	90	39	51
Kentucky Tavern .....	60	29	31
Special Old Reserve.....	53	15	38
Chapin & Gore.....	52	4	48
Pebbleford .....	50	9	41
Bond & Lillard .....	42	12	30
Old Charter .....	38	9	29
Black Gold .....	33	6	27
Old Jim Gore.....	25	14	11
Old Fitzgerald .....	21	8	13
G & W Special Canadian.....	19	3	16
Hiram Walker's De Luxe Bourbon .....	19	8	11
Old Schenley .....	15	8	7

On the question of gin, 2,473 outlets reported satisfactorily with 285 refusing to give satisfactory information. A total of 197 brands of gin figured in first place one or more times with 85 dealers reporting their own brands in first place.

Brands reported as best sellers by 20 or more outlets, in order of their popularity were as follows:

Brand	Total Package Stores	Outlets	Taverns
Hiram Walker's White Swan .....	460	317	143
Fleischmann .....	266	95	171
Hiram Walker's Select.....	258	43	215
Schenley's Old Quaker "85".....	149	90	59
Gilbey's .....	133	63	70
Gordon's .....	110	36	74
Hiram Walker's London Dry .....	91	26	65
Seagram's King Arthur.....	70	17	53
Century .....	46	13	33
Schenley's Coronet .....	42	14	28
American .....	33	8	25
Cavalier .....	31	13	18
G & W Crystal Palace.....	29	4	25
Mount Rose .....	28	4	24
W. L. Powers .....	27	5	22
Mistletoe .....	25	6	19
Paul Jones .....	22	2	20

This survey is one of a number which have been made by the *Chicago Evening American* in recent months to determine the popularity of various products. It is also a study of advertising and merchandising methods.

SALES MANAGEMENT



# Industry Starts to Show How "Enterprise" Pays the Nation

**S**CORES of advertising and publicity campaigns recently have been undertaken to prove something which for generations has been accepted almost as axiomatic: That private enterprise has done much for the nation and that, continuing unhampered, it can do much more.

These campaigns have been sponsored by manufacturers and groups of manufacturers. They have been sponsored by advertising agencies, publishers and others whose existence depends on the maintenance of our economic system of private initiative, private profits and free competition.

They differ from former "institutional" and "educational" campaigns in that the spotlight is thrown not so much on the merits of individual products, services and companies as on the contributions of these companies, under this system, to the general betterment.

Some concerns are spending a lot of good money entirely in "defense of enterprise," and merely add their signature to it. Oftener, however, they point with pride to certain of their policies toward workers and the public, which have helped to make for broader and better employment and to lower the cost and develop the standards of the nation's "living."

## Basically, Anti-New Deal

All of them emphasize that the public interests and their own are inseparably entwined. And all imply—though they do not always say it—that increased regulation of and taxes on business, and increased doubt in the minds of workers and the public as to the social value of business leadership, rapidly will kill the goose which lays everyone's golden eggs.

For the regulation, the taxes and the doubt alike, "New Dealism" is being blamed. Most of the campaigns—though they do not specifically say it—would scrap the present Administration or force it to modify its policies.

One of the first major cooperative efforts in this direction appeared for 12 months last year in the *Atlantic Monthly*. Twelve leading companies participated. Each told its story each month in display space and one in each issue was the subject of an eight-page "reader" by Arthur Pound. At

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The tendency of government to get more and more into business has inspired an avalanche of advertising to instruct the public on the points in favor of the established profit system.

BY

LAWRENCE M.  
HUGHES

the same time there were occasional shots by individual companies and more publicity from such groups as National Association of Manufacturers and the United States Chamber of Commerce.

A \$600,000 campaign undertaken by Lord & Thomas last Fall was in part a presentation of the work of advertising to help to expand the scope and service of business.

This year the trend has been thrown into sharper focus. On January 4 the *New York Sun* published a "Voice of Business" section, in which large companies took 160,000 lines of advertising to tell their story. A spread, on gasoline taxes, by the Texas Co., for example, was reprinted by American Petroleum Institute. Several hundred thousand copies have been distributed. The *Sun*, incidentally, will have another "Voice of Business" issue September 5.

Edward F. Hutton, then chairman of the board of General Foods, created a stir last Spring by suggesting that business "gang up" against the Administration. But "ganging up" has gone forward just the same. National Association of Manufacturers—today more representative of "big business," probably, than the United States Chamber of Commerce—has prepared, through Lord & Thomas, a series of full-page advertisements. The first of these, "What Is Your America

All About?" was run by the association in paid space in Chicago newspapers early this month. This and four others—"Machines and Employment," "Taxation," "American Standards of Living" and "America's Tomorrow," have been made available for publication by companies and groups at their own expense. Among other things, N. A. M. has produced newsreels on the subjects of taxation and unemployment.

The organ of the U. S. Chamber is *Nation's Business*. Last month this magazine began a series of full-page ads in large city newspapers on such subjects as "the intricate relations of Government and business . . . how taxation is an invisible competitor of every workman, consumer and manager" and the "benefits of wealth and work." One of the series will appear on Labor Day.

## To Quiet Labor Unrest

This campaign was prepared by Arthur Kudner, Inc., which, in addition to showing the worker morale and general facilities of the member roads in the Association of American Railways, began in July a series for General Motors Corp. on the theme, "Who Serves Progress Serves America." The GM series of spreads is appearing about once a month in five general weekly magazines and in business magazines. The work of research laboratories of large corporations, GM shows, enables them "vigilantly to explore the future. . . . Out of their work come not only new products and new wealth, but . . . new values, new opportunities and new jobs."

*Factory Management & Maintenance* last month printed 59,000 copies and distributed 100,000 reprints of the editorial section of a special issue on "What Industry Means to America." In the 96 pages of editorial material were 48 pages of charts in three colors showing the shift of the nation from agriculture to industry, how "more machines mean more jobs, more wages," how the increase in machines has increased the national and the per capita wealth, etc.

Two of the 360 advertising pages in that issue contained a message from Ford Motor Co., through N. W. Ayer & Son. The Ford modesty—if

it ever existed—was lacking there:

"Ford instituted and pays, on a grand scale, the highest industrial wages in the world; operates on an eight-hour basis; has practiced the five-day week for years, and given 24,000,000 families the means of ranging the continent at will."

Figures were cited on how additional machinery has increased Ford jobs instead of lessening them:

"One year when the company spent \$4,000,000 for machinery, the number of its employees increased by 20,000 and the payroll by \$48,000,000. In another year, when the company spent \$9,000,000 for machinery, the number of its employees increased by 40,000 and its payroll by \$88,000,000."

With John L. Lewis and his Committee for Industrial Organization considering the organization of automobile workers along "industrial union" lines, there may be labor troubles coming in that industry. Perhaps Mr. Ford had this in mind in telling his story.

At the moment, however, Mr. Lewis is concerned primarily with steel. To check the efforts of the C. I. O. in that direction, the American Iron & Steel Institute, through McCann-Erickson, Inc., two months ago, released a "message" to its workers and the public, which was run in large space in 375 newspapers.

The current unrest probably was an

important factor in inducing United States Steel Corp. to launch, last November, through Batten, Barton, Durstine & Osborn, its first general advertising campaign. This campaign is running in double spreads in general and business magazines. It eulogizes primarily the large industrial users of steel—such as automobiles and railroads—but it has some nice things to say about the ability and morale of the workers in these fields.

In the June 18 issue of the *Iron Age*, J. H. VanDeventer, editor, wrote a piece about the celebration of "Verity Day," in Middletown, Ohio, on June 6. The celebration was in honor of George M. Verity and his associates of American Rolling Mill Co., who years ago "decided that a constitution for an industrial organization was just as essential as a constitution for a liberty-prizing people." This constitution tells the worker his rights. He is urged to read it twice a year "so that he may understand his rights and obtain them." In consequence, Middletown and vicinity have been known for 36 years as "Peaceful Valley." American Rolling Mill has reproduced the *Iron Age* editorial as a page advertisement in business papers.

#### Oil for Strike-Troubled Waters

MacDonald-Cook Co., South Bend advertising agency, has prepared a series of advertisements for use by manufacturers in strike-threatened areas. A couple of months ago business and civic organizations in Canton, Ohio, started to run the series cooperatively in the *Canton Repository*. The first was addressed "To Workmen Who Own Their Own Homes." It pointed out that

"Everyone is proud of the thrifty workmen in this city who own and take pride in their homes.

"If you are such a workman this message is directly aimed at you—at you and your wife and family.

"Harmonious relations between us all will insure protection of our property rights and make our future safe and sure."

With the ads MacDonald-Cook offers publicity releases, feature stories and other material. Other cities may use the service.

The work of research and mass production in creating new industries and new values and the work of selling and advertising in projecting them is being emphasized in various ways. General Electric Co. in recent newspaper and business paper copy has told how improvement in electric lamps has been accompanied by consistent lowering of price.

The *Saturday Evening Post*, in a "defense of advertising and enter-

SALES MANAGEMENT



**\$13,000**  
AVERAGE  
INCOME OF  
HARPERS  
MAGAZINE  
FAMILIES

# 95%

## of Harpers Magazine Subscribers are Householders...

The readers of Harpers Magazine are the cream of the national market. Their families influence the opinions and buying habits of every community. Ninety-five thousand of these subscribers have homes. In furnishing these homes, in entertaining, in traveling and in the acceptance of new products and ideas they set the standards which others follow.

Two reasons are outstanding for the trend toward the new Harpers Magazine, which is evidenced by a 28% gain in advertising revenue:

A new versatile page size that can be used for Standard or Flat Size plates. Flat Size plates, 7 x 10 $\frac{3}{8}$ , can now be run as bleeds at 10% additional cost. No need for special plates.

The lowest rate for Black and White or Color, per page per thousand, in Class and Quality field.

# Harpers

MAGAZINE

CIRCULATION  OVER 100,000



prise" campaign of its own, through Batten, Barton, Durstine & Osborn, has used this example, among others. In a current business paper campaign, reprints of which are being distributed nationally, N. W. Ayer & Son has shown that lamp research and promotion, since 1904, has saved the American public a total of \$2,000,000,000 a year. The Ayer campaign describes, among other things, "how industry has banished drudgery from the American home."

Du Pont, in magazine copy and its weekly "Cavalcade" radio show, tells "what chemistry is doing for you. . . ." Sun Oil Co. shows that:

"In manufacturing and merchandising improved petroleum products to an expanding market through free competition, we have added thousands of workers to our payrolls and put back millions of dollars into the American economic system, paying our employees liberally for their work and also, paying our stockholders, about 5,000 of whom are employees, a reasonable return for the investment of their capital."

#### Alliance with G. O. P.?

Allis-Chalmers took eight pages in the current *Factory* to describe how "the spirit of the pioneer carries on." . . . General Foods has outlined in page space the advantages of "bigness":

"Since 1929 every major product of General Foods has been improved." Also, "in many cases the product is more convenient to use, or it is offered in greater variety. . . . Furthermore, the average price of General Foods products has been reduced 29% since 1929—while the reduction in food costs generally was only 21%."

Goodyear, announcing that it has produced 250,000,000 tires, and a lot of other things, emphasizes how this "huge activity . . . contributes to public benefit":

"45,000 men and women are employed in the making and marketing of Goodyear products. 100,000 merchants earn their living selling these products. And 40,000 stockholders share the success that is Goodyear's."

The G. O. P. probably will not attempt to extol big business this Fall, in what may be the most intensive campaign it has ever conducted. But it will have a lot to say with its \$2,000,000 for advertising about "regimentation" (meaning "regulation") and excessive taxes and the waste thereof. It will plead for greater freedom of enterprise. The party's first outdoor poster says:

"Wanted: Jobs—Not Relief . . . Land a Job with Landon!"

Many business concerns—though not obviously climbing aboard the elephant—will spend money to tell a similar story.

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#### How Lee Gets Its Dealers to Push Quality Overall

(Continued from page 307)

all aspects of their company as are the executives over them. And the more they become acquainted with the business, the more conscious they are of their own part in the organization.

Last December Mr. Reynolds tried out a new idea at the home office conference which proved very successful. Instead of making notes from which to lecture, he had these "notes," together with diagrams, drawn up on large charts. The result was that each point became much more emphatic than it otherwise would have been.

A letter from a salesman who had left the company to join another firm and who desired to come back with Lee was brought up at the conference. The case was likened by Mr. Reynolds to that of a cow who had stuck her head through a barbed wire fence in an effort to get the grass on the other side, and found to her distress that she was caught and could not get back.

A contest is now under way in which the prize will be a trophy given by the president. Through conducting numerous contests, Mr. Reynolds has discovered that *men will work harder for an honor than for cash bonuses*. Various means of recognition are given to crack salesmen. It may be some sort of insignia to be worn by the men, and in this case great pains are taken to see that these badges are recognized by dealers and consumers.

Most manufacturers reduced their sales forces during the depression—some to a mere skeleton of the pre-depression staff. Not so with Lee, which actually added several salesmen each year and had a larger number of salesmen in July, 1932, (the low point of the depression with that firm) than in 1929. Mr. Reynolds said the company reasoned that if the country were going to the bow-wows, it might as well take a few extra men along. But if business came back, as executives of the firm believed it would, then they would have a well-trained, complete sales force ready to get the business. When the upturn came in 1933, this policy did, indeed, prove a good investment.

In 1934 H. D. Lee ranked eighth in a national survey conducted by the Dartnell Corp. to determine the ten liveliest selling organizations in the United States. It is believed that such a rating now or in the future would find the company even higher up the scale because of its unceasing efforts to keep its sales story new to its men and its customers.

Good gracious—  
ain't you got no

## CURIOSITY?

Do you *never* want to LEARN anything? Do you just want to sit still and let the wistaria climb up you and ignore the brass facts of what radio has done (is doing) over the foremost of the greater-New York stations? There is so much glib verbal sky-painting about radio results that we took ours neat and stark and plain as they are, and put them into one of the most fascinating picture-books you ever saw: it is called "To Market, To Market," which comes from the old jingle "To market, to market, to buy a fat pig"—the idea being that even a child can understand FACTS if we put them clear in black language and colored pictures and almost no charts or tall files of figures. YOU CAN HAVE THIS BOOK FREE and if (1) you're an advertiser or (2) an agent or (3) a space-and-time-buyer, this pretty little primer will show you how to make sales. Maybe you don't want to make sales. Maybe, though, you'll want to write WOR's office at 1440 Broadway pronto for your copy.

# WOR

[331]




# Speaking of Posters...

• • • The 24 sheet poster is so large that it cannot possibly be overlooked . . . so prominent that it commands attention . . . so located that it repeats the message day after day. That is repetition plus!

• • • Such advertising deserves the finest reproduction you can obtain—the same care in selecting a lithographer that you exercise in the preparation of art work.

• • • A large proportion of the posters produced at Erie represent repeat business—advertisers who have used Erie Posters before.

• • • When they come back for more it is pretty good evidence of what Erie offers YOU.

  
LITHOGRAPHING & PRINTING DIVISION  
of THE UNITED STATES PRINTING &  
LITHOGRAPH COMPANY  
ERIE, PENNSYLVANIA

## Regulations Covering Government Purchases Under Walsh-Healey Law to Be Issued September 8

Second bulletin on anti-price discrimination legislation exhausted; World Economic Review for 1935 now available.

Washington, August 25  
**W**HILE the stir and fuss about price discrimination and drought have occupied Washington and distribution agencies, the Labor Department has been moving along quietly in preparation for active administration of the Walsh-Healey Government Contracts law which becomes effective on September 28.

When it is realized that approximately 500,000 contracts were on file with the General Accounting Office during the fiscal year just ended, the scope and importance of the law is indicated. Less than 10% (estimated) of the government contracts previously let amounted to less than \$10,000. The Walsh-Healey bill, enacted during the closing hours of the session, provides that no contract under \$10,000 shall come within the provisions of the Act. Hence, close to a half million contracts, all more than \$10,000, and some ranging into the millions of dollars, are in prospect, with rigid "prevailing" wage regulations for those contracting to supply the government.

Two important details—namely the fixing of prevailing wages and promulgation of regulations—are still in the formative stage.

### How Wage Board Will Work

Gerard Reilly, acting Administrator, pending appointment of the new board, has forwarded a draft of the regulations to the Attorney-General and the General Accounting Office. A few of the government's contracting officers have received copies also. However, complete secrecy has surrounded the preparation of the regulations and no indication of their content has been made known. Mr. Reilly, whose usual post is that of Asst. Solicitor of the Labor Department, states that the regulations will be ready for distribution by September 8. This will give the contracting officers in the field ample time to familiarize themselves with the rules before September 28.

Contrary to current supposition, no

effort is being made to fix prevailing wages throughout the country. The "Wage Board," to be composed of three men, will probably hold its first sessions here in Washington early in September. Later, it is expected that the board will go on circuit setting wage standards in different localities.

Testimony introduced during the hearings before the House Judiciary Committee last Winter will be used to determine the industries considered to be the worst offenders and, consequently, the first to be scheduled for call before the Wage Board. Those alleged offenders are industries which departed most radically from code standards after the NRA ceased to function.

### "Worst Offenders" First

The rubber industry is a typical case. While the majority of rubber firms continued to maintain "code" wages and hours, nine of the largest rubber corporations, with about 50% of all workers employed by the industry, veered sharply from the recommended standard of NRA. Two other general classifications which will probably come in for early establishment of wage and hour standards are food and kindred products, and forest products.

Although it has been said that more than 20 names of candidates for the Administrative Board are on Secretary Perkins' desk, awaiting her choice some time within the next few weeks, no individual appears to be certain of a place as yet. Unless funds are allotted to Government Contracts Division the board will not be selected from the outside as planned. Members of the Labor Department will be obliged to handle the work.

Despite lack of funds and the apparent quiet in the Government Contracts Division, it will be equally as disturbing as "price discrimination" about the end of September, when wage and hour standards are finally fixed.

The Federal Trade Commission was scene of considerable activity on August 20. The Commission had just

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released its second piece on Anti-Price Discrimination Legislation. One thousand mimeographed copies were made available. Within a couple of hours the Commission had before it the problem of a re-run. Federal Trade has literally been bombarded since the end of Congress for information and opinions on the Robinson-Patman Act.

The latest release, issued August 20, is a discussion of the legislation "as it will occur in its annual report, soon to be completed." Original sections and amended sections of the Clayton Act are lined up and compared. (See "Robinson-Patman Panic Is Somewhat Abated as FTC Answers Questions," page 312, this issue of SM.)

### Plain Talk on Business

One of the more important documents emanating from Washington during the year is the *World Economic Review* published annually by the Department of Commerce. It has just been released for 1935.

Pithy, succinct paragraphs from the conclusions listed in the opening chapter clarify its several hundred pages of statistical, tabular matter with pointed emphasis on certain business "barometers." Here are a few more pungent excerpts, which, when they are considered as being from the Department of Commerce, speak rather plainly.

1. "While the unemployment situation may be regarded as symptomatic rather than as causing existing difficulties, it is certain that complete recovery will not be achieved until such time as the army of able-bodied unemployed is again engaged in productive work."

2. "Whatever may be the reason, it is obvious that entrepreneurs are not drawing upon the capital markets for new funds on an important scale."

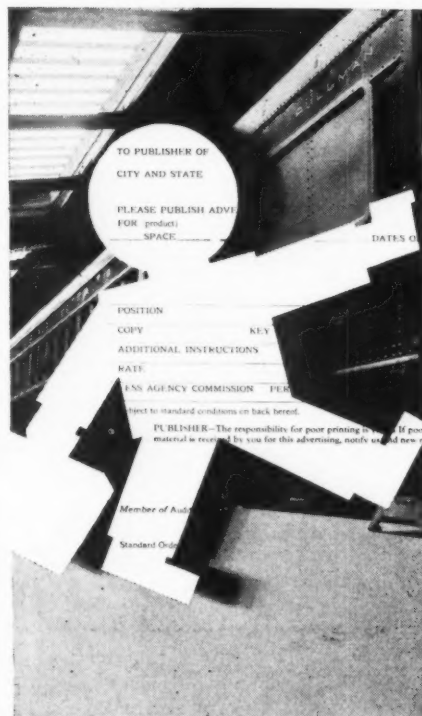
3. "Future business prospects are in a degree conditioned upon the possibility of bringing expenditures more in line with receipts and thus eliminating . . . uncertainties prevailing in connection with future taxation and other budgetary problems."

4. "With actual wars and threats of war involving three continents, and with Europe again assuming the characteristics of an armed camp, it appeared at the opening of 1936 that any benefits which might accrue to our domestic economy as a result of a broad program of international stabilization were a consideration of the distant rather than of the immediate future."

*Hawk*

SEPTEMBER 1, 1936

## ALL ABOARD FOR 1937!



Now, *More than Ever Before*, the Booth Newspaper Michigan Market is One of America's 15 Leading Markets.

Important newspaper advertising orders are swinging aboard the Booth Special, in ever-increasing number. 1937 is going to be a great year in the Booth Newspaper Michigan Market . . . one of America's 15 leading markets!

The eight Booth Newspapers offer dominant coverage of Michigan outside of Detroit. Editorial leadership! Reader confidence! Home-delivered circulation! Among homes that have the desire and the means to buy!

Ask for valuable marketing data, pertaining to your product.

### In Muskegon, It's the Chronicle

The Muskegon Chronicle now has the largest circulation in its history. It reaches 99 out of every 100 families in Muskegon County.

A.B.C. 23,016

New York, I. A. Kline, 50 E. 42nd Street  
Chicago, John E. Lutz, 180 N. Michigan Avenue

## BOOTH Newspapers

THE GRAND RAPIDS PRESS • THE FLINT JOURNAL • THE SAGINAW DAILY NEWS • THE KALAMAZOO GAZETTE  
JACKSON CITIZEN PATRIOT • THE BAY CITY TIMES • THE MUSKEGON CHRONICLE • THE ANN ARBOR DAILY NEWS



You are at your best, at your desk or on the road, when you are properly supplied with the materials of good living—fine food, restful sleep, courteous treatment, and pleasant surroundings. Hotel Mayfair stands ready to provide them in Saint Louis. At all times—from the moment you

register at the Mayfair until you depart—they are yours, at reasonable rates. Over fifty per cent of all our rooms rent for \$3.50 or less, single; \$5.00 or less, double. Private bath, circulating ice-water, radio, and other wanted refinements. Air-conditioned lobbies, lounges and restaurants.

3  
Restaurants  
THE  
MAYFAIR ROOM  
THE HOFBRAU  
and the  
COFFEE GRILL  
Garage Service.

**Hotel Mayfair**

EIGHTH AND ST. CHARLES  
SAINT LOUIS ★ ★ ★

HOTEL LENNOX—Only One Block Over—Same Management



# Sales Management's Future Sales Ratings

## KEY TO RELATIVE SALES OUTLOOK RATING

- ★★★★★ Best Relative Outlook
- ★★★★ Very Good Relative Outlook
- ★★★ Good (Medium) Relative Outlook
- ★★ Fair Relative Outlook
- ★ Least Impressive Relative Outlook

NOTE: This compilation is based on the relative position of one industry compared with all industries. In other words, an industry marked ★★ may have very good prospects in relation to its preceding year's volume, but its percentage increase may be slight compared with another industry which is marked ★★★★★.

	Sales Prospect for Sept., Oct. & Nov.	Sales Prospect for Next 12 Months		Sales Prospect for Sept., Oct. & Nov.	Sales Prospect for Next 12 Months
Advertising	★★★★	★★★★	Laundry	★★★	★★★
Air Conditioning	★★★★★	★★★★★	Liquor (Alcoholic Bev.)	★★★★★	★★
Aircraft (Sales of Air- planes)	★★★★★	★★★★★	Luggage	★★★★★	★★★★★
Aircraft (Passenger Travel)	★★★★★	★★★★★	Machine Tools	★★★★★	★★★★★
Autos (New Car Sales)	★★★	★★	Machinery (Agr'l)	★★	★★★★
Auto Tires	★★	★★	Machinery (Ind'l)	★★★★	★★★★★
Auto Parts (Misc.)	★★	★★	Meats (General)	★★	★★
Banks (Revenues)	★★	★★★	Men's Clothing	★★★★	★★★★
Baked Goods (Bread)	★	★	Metal Containers	★★	★★
Baked Goods (Specialty)	★★	★★	Motion Picture Attendance	★★★★	★★★★
Beds, Springs and Mat- tresses	★★★★★	★★★★★	Musical Instruments	★★★★★	★★★★★
Beer	★★★★★	★★★★	Office Equipment	★★★★★	★★★★★
Building Materials	★★★★★	★★★★★	Oil (Cooking)	★★	★★
Candy & Chewing Gum	★★	★★	Paint	★★★★	★★★★
Canned Fruits and Vegetables	★★	★★	Paper (Newsprint)	★★★★	★★★★
Cement	★★★★★	★★★★	Paper (Wrapping)	★★★	★★★
Cereals	★★	★	Photographic Supplies	★★★★	★★★★
Chemicals (Misc.)	★★★	★★★	Physicians' and Den- tists' Income	★★★★★	★★
Cigarettes	★★	★★	Plastics	★★★★	★★★★
Cigars	★★	★★	Printing and Publishing Equipment	★★★★	★★★★
Coal (Anthracite)	★★	★	Radios	★★★★★	★★★★
Coal (Bituminous)	★★★	★★★	Railroad Equipment	★★★★	★★★★★
Cosmetics	★★	★★	Railroad (Net Income)	★★★★	★★★★
Cotton Textiles	★★★★	★★★★	Rayon Textiles	★★★★	★★★★
Dairy Products	★	★★	Real Estate Rentals	★★★	★★★
Department Stores	★★★	★★★	Refrigerators	★★★★	★★★★
Diesel Engines	★★★★★	★★★★★	Restaurants	★★★	★★★
Drugs and Medicine	★★	★★	Rural Stores	★★	★★★★
Electrical Equipment (Heavy)	★★★★	★★★★	Shipbuilding	★★★	★★★★★
Electrical Equipment (Light)	★★★★★	★★★★	Shoes	★★	★★
Flour	★	★	Silk Textiles	★★★★	★★★
Furs	★★★★	★★★★	Soap	★	★
Gasoline and Oil	★★★★	★★★	Soft Drinks	★	★
Glass (Plate)	★★★★	★★★★	Sporting Goods	★★★★★	★★★★
Groceries (Chain)	★	★	Stationery (Commercial)	★★★	★★★
Hardware	★★★★★	★★★★★	Steel and Iron	★★★★★	★★★★
Hotels	★★★	★★★	Sugar	★★	★
HouseFurnishings (Floor Coverings, Furniture, etc.)	★★★★★	★★★★★	Toothpaste and Mouth Washes	★	★
Household Products (Kitchenware and Miscellaneous)	★★★★	★★★	Travel (Sea)	★★★★	★★★
Insurance (Misc.)	★★	★★	Trucks	★★★	★★★
Jewelry	★★★★★	★★★★	Utilities—Electric	★★★★	★★★★
			Utilities—Gas	★★	★★
			Utilities—Telephone	★★★	★★★
			Washing Machines	★★★★	★★★
			Women's Clothing	★★★★	★★★
			Woolen Textiles	★★★	★★★

Prepared by PETER B. B. ANDREWS, and specially copyrighted by SALES MANAGEMENT, INC. Reprints of this page are available at 5 cents each, minimum order, \$1.00; 20% discount on standing orders for 25 or more monthly. SALES MANAGEMENT, INC., 420 Lexington Avenue, New York, N. Y.

## Prosperous Autumn Indicated for Most of Nation's Industries

The survey for this month's Future Sales Ratings indicates retail sales this Fall ahead of any comparable period since 1930 and possibly since 1929. This forecast is based on the substantial unexhausted portion of the soldier's bonus, heavy government spending, broadly improved public purchasing power and numerous extra dividends which will be declared to avoid the new Federal undistributed profits tax.

But for the serious drought this year, there would be definite basis for expecting retail sales this Autumn larger than in any similar period since 1929. Despite the heavy blow to crops in many regions, government cash distributions have been increased; and this factor, along with better crop income from drought-spared areas, points to a rise in this year's agricultural income over 1935.

The digestion of facts, forecasts and authoritative opinions has resulted in the following line-up of industries for the near term:

- 18 Best Relative Outlook
- 24 Very Good Relative Outlook
- 17 Good (Medium) Relative Outlook
- 19 Fair Relative Outlook
- 9 Least Impressive Relative Outlook

Industries given a higher near term rating are Banks, Beer, Cement, Machine Tools, Liquor (Alcoholic Bev.), Motion Picture Attendance, Radios, Restaurants and Women's Clothing. Ratings advanced for the next 12 months include Banks, Beer, Cement, Electrical Equipment (Heavy), Restaurants, Steel & Iron and Shipbuilding.

Several changes in classification have been made this month. Building (Roofing) and Lumber have been deleted on the theory that their outlook is sufficiently well indicated under Building Materials. (Note: This also eliminates two 5-star industries, giving the list better balance.) Similarly, Floor Coverings and Furniture have been consolidated into House Furnishings (Floor Coverings, Furniture, etc.). In like manner Silver (Household) has been merged with Household Products (Kitchenware & Misc.) while Paper (Writing) has been changed to the broader Stationery (Commercial). Silk Hosiery has been extended to Silk Textiles. Typewriters have been eliminated on grounds of duplication in Office Equipment. Aside from the new Stationery classification, two important industries have been added: Plastics and Washing Machines.



OUR SALES PLAN

**How Can I Get  
Dealers and Distributors  
to *Sell Our Goods*  
*OUR WAY?***

Photo by Perine Studios

# "HOW Can I Get DEALERS and DISTRIBUTORS to How ZONITE Does It

G. Allan Reeder, Advertising Manager, ZONITE PRODUCTS COMPANY, says:



"Our entire sales and advertising plans revolve around the humble Onion and the laboratory-proven Zonite method of removing not only onion breath but all unpleasant breath.

"With 36 salesmen and 8 sales supervisors calling constantly on retailers and jobbers we would certainly be foolish if we did not use business papers to help get Zonite sold our way."

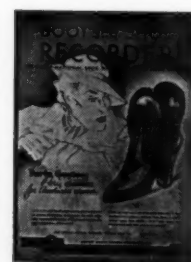
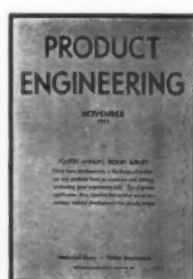
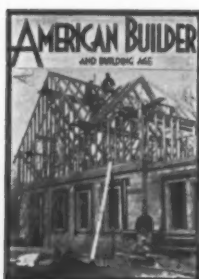
ZONITE sales and advertising plans are as well organized as the staff work of a crack infantry division taking over a front line sector at 1 A.M.



No method is left unused toward inducing everyone concerned to sell Zonite the Zonite way. National advertising calls the tune; 33 salesmen and 8 sales supervisors, assisted by ample business paper advertising, get retailers into line.

Business papers are a vital part of the program,—how else can so many retailers and distributors be informed of the Zonite way in so short a time and with such a small expenditure of money?

Splendid sales increases



# SELL Our Goods OUR WAY?"

point to the wisdom of this organization plan.

An ever-present problem in any sales department is to get ORGANIZATION into sales methods,—to get approved sales plans into use by distributors and retailers in the shortest possible time and with the least expense and lost motion.

There is no more efficient nor economical manner in which to accomplish this than by good, consistent advertising in good business papers read by groups whose participation is needed.

Good business papers have what it takes to do the job,—confidence of readers, influence with readers, low cost.

## How AMERICAN CAN COMPANY Does It

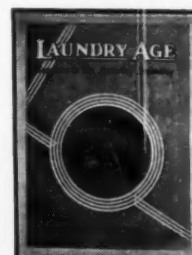
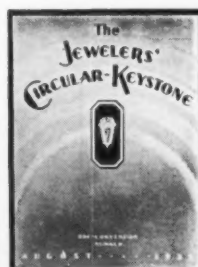
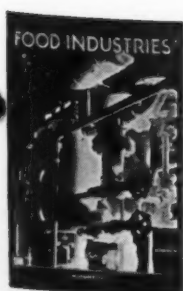
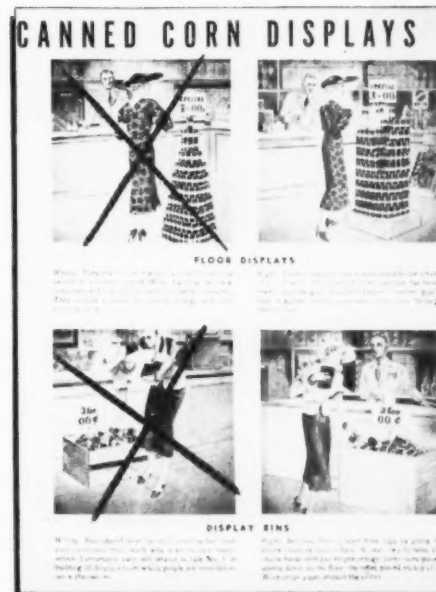


"Canco," the American Can Company's trade mark, appears upon cans containing fruits, vegetables, foods, beer, lubricating oil. Inducing retailers and distributors of these canned commodities to sell more of them presents a problem.

The company uses a sound method. It knows best how to display, to push, to feature canned goods. It likewise knows the best merchandising methods to sell more canned beer and oil. Canco also knows that to increase the sale of Canco cans means selling *the advantages* of goods in cans.

The problem was to drill these ideas into the heads of grocery clerks, store proprietors, gas station owners, purveyors of canned beer.

The illustrations show how the company uses business papers to do it.





# The "CREAM" PAPERS of the BUSINESS PRESS



**PICKED BY JURY.** When selecting suitable magazines to feature in this cooperative advertising campaign, the object was to include only those which withstood the most acid of acid tests as to quality and performance. The 27 featured here are among the Cream of the Business Press, personally selected by a jury of the most competent buyers of business paper space in the country today.

Of each magazine can be said, "It is honestly and ably edited and renders a real service to the trade, industry or profession it represents."

## BAKING AND FOOD FIELD

Bakers Weekly  
Food Industries

## BUILDING AND CON- STRUCTION FIELD

American Builder & Building  
Age  
Architectural Record  
Building Supply News

## BUSINESS EXECUTIVE FIELD

Sales Management

## CHEMICAL FIELD

Chemical and Metallurgical  
Engineering

## ELECTRICAL FIELD

Electrical World

## HOTEL AND RESTAURANT FIELD

Hotel Management  
Hotel World-Review  
Restaurant Management

## JEWELRY FIELD

Jewelers' Circular-Keystone

## LAUNDRY FIELD

Laundry Age

## MARINE FIELD

Marine Engineering & Ship-  
ping Review

## METAL

### WORKING FIELD

American Machinist  
Boiler Maker & Plate Fabri-  
cator  
Iron Age  
Machinery  
Product Engineering  
Steel

## OIL FIELD

National Petroleum News

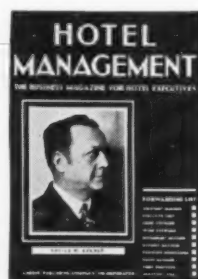
## RAILWAY FIELD

Railway Age  
Railway Electrical Engineer  
Railway Engineering & Main-  
tenance  
Railway Mechanical Engineer  
Railway Signaling

## SHOE AND FOOTWEAR FIELD

Boot & Shoe Recorder

Anyone  
of These  
Selected  
Business  
Papers  
Will Help  
You  
Sell  
Goods  
Your  
Way









## Wheat and Corn Income Up Despite Drought

In the table below, the percentage change of corn and wheat production, price, crop value, and business activity in drought years compared with the years immediately preceding is shown.

Drought Year	CORN			WHEAT			
	Production	Price Per Bu.	Crop Value	Production	Price Per Bu.	Crop Value	Business Activity
1881	-30%	+61%	+12%	-23%	+25%	-4%	+2%
1890	-27	+83	+33	-13	+20	+4	+6
1893	..	-8	-8	-19	-14	-30	-10
1894	-22	+26	-1	+21	-9	+11	-7
1901	-36	+71	+10	+31	..	+32	..
1904	+8	+4	+12	-10	+33	+20	-5
1911	-12	+29	+13	-2	-1	-3	-7
1930	-19	-26	-39	+8	-35	-30	-21
1934	-41	+62	-5	-6	+19	+12	+4
1936	-29	+63	+17	+5	+36	+43	+8

Sources: Business Activity—1880-1930, Cleveland Trust Co.; 1933-36 (1st 6 Mos.), *Annalist*.

Production, Price, Value—1880-1911, Yearbook of Agriculture (1927); 1930-34, Yearbook of Agriculture (1935); 1935, *Crops & Markets* (Dec. 1935); 1936, Based on private estimates of production as of Aug. 5 (Chicago Tribune) and Dec. futures.

# News Still Sensationalizes Drought, But Higher Prices Hold Income Well Over '35

As pointed out by Louis H. Bean, of the Department of Agriculture, in his article "Drought Not Serious Enough to Retard Gains in Farm Income," (SALES MANAGEMENT, August 15) an analysis of government figures shows a 10% margin over 1935 for the first half of the year and an expected 10% gain for July to December, regardless of drought conditions.

While the money loss traceable to the drought can be estimated at this time only in very general terms, it seems to be true that even if the worst drought fears are realized the total farm income will show an increase. A review of the past nine drought years demonstrates that short crops selling at high prices bring the farmer a higher income than bumper crops selling at low prices. Only three years—1893, 1894 and 1930—proved exceptions to this rule; and during each of these years general business activity was sharply reduced from the preceding year.

Individual farmers in some states have found their wheat and corn crops ruined but, nevertheless, it is likely to be true that the value of the 1936 wheat crop will exceed that of 1935 by 43%, and the corn crop by 17%. An estimate leading to this conclusion has been drawn by the Bureau of Market Analysis of the Meredith Publish-

ing Co., and appears in the adjoining table.

Earl J. Cooper, livestock representative of the *Country Gentleman*, makes the following analysis not only of the crops which are most in the headlines today, but also of such important but currently overlooked items as dairy and poultry products.

### MOST CROPS WILL BE ADEQUATE FOR DOMESTIC NEEDS

"The year of 1935 was a good crop year. Grains (supplies of wheat excepted) and other feed stuffs, carried over to April, 1936, were normal and compared favorably with the five-year average. For example, we had 776,000,000 bushels of corn on April 1 as compared to 757,000,000 for the five-year average. We had 494,000,000 bushels of oats as compared to 389,000,000 for the five-year average. Our wheat carry-

The effect of crop prices on total farm income is of vastly more importance to the marketing man than reports of decreased production. This analysis shows how higher prices are sustaining total farm purchasing power.

over totaled 276,000,000 bushels, or only about half of the record stock of 1932.

"Wheat, grown first for human consumption and second for feed, is the crop most noted in the news of the day. For three years we have grown a little less than necessary for our domestic needs. Our Winter wheat crop came through fine and was harvested before the dry weather. About 500,000,000 bushels were the harvest for Winter wheat, at least 40,000,000 more than last year. A conservative estimate for Spring wheat, allowing for weather since July 1, would be 130,000,000 bushels, giving us at least 630,000,000 bushels, not far below last year's total production.

"Corn is somewhat of an unknown quantity and will depend largely upon future weather and a good Fall, and not too early frosts. But as things stand today, the crop is not seriously damaged in the chief corn states, and will probably harvest from 50 to 75% of a normal crop. If good rains continue we have prospects for at least a fair crop, and with a good carry-over we can bring well finished hogs and beef to market next Winter.

"Oats and barley, minor crops, will be short, but the important producing regions were much less hurt than in 1934. These crops have been harvested and are, therefore, past further damage. Threshing is now going on and the quality and weight is surprising. Prices for oats, barley and other grains will follow the upward trends of corn and wheat.

"Fruits, vegetables and other cash crops are 15 to 20% below normal in most cases. The potato output is described as 'moderate,' but will no doubt be less than last year and considerably higher priced. A good early hay crop will provide enough roughage.

"Cotton has made fair progress following rains in the eastern cotton belt. The world cotton situation is becoming more favorable for American growers. The world carry-over has been reduced to 7,300,000 bales, or about half of what it was four years ago. In 1935, the world market stepped up the consumption of American cotton by a million bales, and indications now are that this increase will continue as world consumption is sharply increasing. Prices are now steadily advancing.

### THE DAIRY INDUSTRY IS IMPROVING

"About 22% of the nation's farm income is derived from the dairy cow. Total milk production for the first four months of this year exceeded the similar period of 1935 by 6.4%. Summer butter prices of this year are ahead of last by 5 cents a pound. The present off-trend production for July and August is being compensated by rising prices for both milk and butterfat. Practically no butter is being imported and all storage stocks of dairy products are favorable.

"Cattle prices during July were depressed somewhat due to an oversupply of partly finished stuff from dry areas. Most of these animals were of the poorer grade and not the type that would later come in as 'good to choice.' As in 1934, many of them were culls on any market, at any time of the year. Normally they are fed into the market in smaller numbers throughout the year, without depressing effect. On this date, however, few drought cattle are coming in and the price situation should soon improve.

"The outlook for steady and upward meat prices is good. The total pounds of meat in storage on June 1 was only 549,-

# Magazine and Radio Expenditures

(August and year to date—in thousands of dollars)

Compiled for SALES MANAGEMENT by Publishers' Information Bureau, Inc.

Class	NATIONAL MAGAZINES				RADIO			
	August		January-August		July		January-July	
	1936	1935	1936	1935	1936	1935	1936	1935
1. Automobiles .....	\$ 781.9	\$ 624.7	\$ 9,513.7	\$ 6,797.1	\$ 150.8	\$ 131.6	\$ 2,303.7	\$ 1,826.7
2. Auto Accessories .....	736.1	641.9	5,097.3	4,294.7	340.6	393.9	2,697.4	2,377.7
3. Clothing .....	281.1	182.8	3,759.0	3,126.4	5.1	15.3	196.7	244.3
4. Communication .....	63.0	69.5	553.4	526.7	—	—	—	29.5
5. Electrical Household Equip..	243.0	128.9	3,412.4	3,003.6	44.5	2.8	88.8	265.7
6. Electrical Structural Equip..	90.5	32.8	613.2	291.9	—	—	—	—
7. Financial .....	235.8	215.5	2,484.0	2,233.8	35.8	29.6	282.3	259.6
8. Foods .....	949.2	819.8	10,259.6	9,742.7	859.8	726.0	5,987.7	5,999.5
9. Food Beverages .....	302.4	371.6	2,734.6	2,671.0	332.2	188.3	2,620.2	1,723.5
10. Beers, Wines and Liquors..	255.5	273.6	2,419.1	2,440.1	—	—	—	—
11. Confections .....	138.3	130.5	881.3	1,007.4	98.2	30.5	763.6	838.7
12. Housefurnishings .....	40.4	38.0	2,324.9	2,101.1	—	22.8	185.8	127.0
13. Kitchen Supplies .....	72.7	71.5	1,158.5	1,109.4	22.9	23.2	318.1	209.4
14. Soaps, Cleansers .....	341.0	327.7	3,479.2	3,370.4	285.1	156.5	1,799.4	1,235.6
15. Jewelry, Clocks, Watches...	18.2	22.8	368.2	218.6	—	3.6	145.8	29.5
16. Machinery .....	44.7	39.4	321.9	290.8	—	—	36.9	—
17. Office Supplies .....	75.7	68.5	1,143.9	1,128.3	—	—	388.3	52.7
18. Publications .....	70.7	56.3	780.4	708.9	34.1	15.2	172.9	229.1
19. Radios .....	121.0	61.5	880.7	631.2	103.9	61.9	741.4	602.0
20. Smoking Materials .....	453.2	514.5	4,057.1	4,074.3	420.8	187.5	2,683.5	2,008.0
21. Sporting Goods .....	77.7	87.9	1,254.7	1,288.3	—	—	—	—
22. Structural Materials .....	56.3	25.1	652.5	372.2	—	5.9	58.9	86.0
23. Structural Fixtures .....	49.4	42.8	1,291.9	831.7	—	7.1	266.6	132.6
24. Toilet Goods .....	1,279.6	1,125.8	11,060.0	11,299.7	662.0	764.1	6,454.1	6,518.6
25. Medical Supplies .....	438.9	397.1	5,028.7	4,939.7	320.3	336.1	2,831.4	3,617.8
26. Travel and Accommodations.	231.4	150.0	3,105.2	2,820.8	—	—	26.6	46.1
Miscellaneous .....	874.2	677.5	8,245.4	6,527.8	115.6	16.5	936.1	308.2
Total .....	8,321.1	7,197.2	86,882.0	77,850.2	3,832.3	3,119.4	31,987.4	28,768.8
Increase, % .....	15.5		11.6		22.5		11.2	

Note—The National Magazines checked total 104 publications, 13 weeklies and semi-monthlies for July and 99 monthlies including *Vogue* for August. All figures are based on one-time or single insertion rates.

Note—Network Radio Broadcasting figures cover national or chain broadcasting carried over the networks of the National Broadcasting Company, Columbia Broadcasting System and the Mutual Broadcasting System for 1936. The figures cover facilities only and do not include talent.

000,000 as compared to 626,000,000 lbs. for one year ago and 816,000,000 lbs. for the five-year average. Consumptive demand is being increased and the supply of animals for Winter meat is none too large.

## POULTRY IS IN A STRONG POSITION

"Poultry is no longer just a side issue with the average farmer. In some years this business exceeds a billion dollars in income. More than five million farmers raise poultry and it constitutes one of the chief cash crops. During the depression, the hen was the mainstay on millions of farms and the industry comes into 1936 with strong egg prices and a very favorable outlook for 1937.

"During the last six months, personal calls made on 75 leading hatcheries, located in several sections of the country, found them enjoying a better year both in volume and price than for at least six years. The demand was never completely supplied and the usual May price drops did not occur.

## FARM CREDIT SITUATION GOOD

"The farmer, like any other business man, quite often needs credit, especially for short periods. Just a few years back, many of his important plans and operations were at a standstill because he couldn't borrow, even though his collateral was good.

"But today it is quite different. Local banks will handle 60- to 90-day notes for reasonable amounts for farmers who are known to them and whose farm operations

justify credit. Cooperative loan associations are taking care of longer time crop needs. Many individuals are again looking for farm mortgages while insurance companies are now investing at the rate of \$1,000,000 per month in farm mortgages.

"Based upon present land and building values there is no immediate danger of over-loaning.

## MORE FARMS ARE SELLING

"Farms are beginning to sell quite briskly in the better farm sections, especially out of the large cities, and at improved prices. Many business men have purchased farms during the past year and many more are considering purchases. Such men are, in most cases, handling these purchases on a more efficient plan than during the so-called 'boom years.' They are investing in substantial but not elaborated buildings and equipment. This movement is tending to raise farm values in the rural districts."

Dun & Bradstreet, Inc., whose offices are reporting weekly on local credit conditions as they are affected by the drought, state under date of August 21, "Principal cities in the West Central drought area report that the volume of business is holding up well, sustained in part by ample Winter wheat returns and cash resulting from the marketing of cattle which normally would be carried through the

Winter. . . Business in the drought area is also sustained by notable activity in the sales of packaged and canned foods in anticipation of rising prices. But this activity is at the expense of future sales. One city has noted a slump in instalment purchase items, indicating a reluctance to make commitments which must be met in the Fall and Winter months.

"The relief total and its distribution may be more clearly outlined following the President's conference with mid-western Governors on September 1. An estimate this week that 500,000 families will require direct assistance before Winter, foreshadows extension of the present relief plans. Currently, WPA officials expect to provide jobs for from 120,000 to 150,000 men—\$7,500,000 a month at the maximum figure according to press reports. On its present budget of \$95,000,000, the Resettlement Administration is prepared to provide for about 157,000 cases. In addition, a \$10,000,000 fund for seed purchase was approved this week, and there is available a cattle purchase fund of \$30,000,000, not fully utilized to date."

SALES MANAGEMENT



## Do Application Blanks Measure Sales Ability?

(Continued from page 326)

contacts only in the large architectural offices. They made no effort to expound the virtues of the product in a wide or general way, and they made no attempt to change their tempo or methods as building slumped.

The newer "planned procedure" of the scientific selling plan which was put into effect recognized the change which was taking place. Education in the product itself was given by technical men and five definite points of superiority were constantly stressed to the salesmen.

A new gauge of what constituted a "day's work" was set: A minimum of ten calls a day on the trade, in addition to the necessary detail work. This required visits to the smaller and lesser known architects and builders' offices, resulting in wider publicity for the brick. There was no minimum quantity which would constitute an order. Prices were not to be juggled because quality and other points were made the most important points of this education.

### New Blood Quickens Old

The salesmen with longer terms of service gradually began to see the error of their ways and no threats or promises were necessary to bring them into this newer, scientifically planned selling. Their "salesmanship" had not been sufficient to enable them to cope with the changes in business and they recognized the "planned procedure" as being more positive and easier to use. Those who persisted in individual effort fell by the way-side of their own accord and passed out of the company without invitation; while the men who followed the pre-arranged program remained and profited.

This company was out of red ink by the end of the first year of the new regime, in full production during the second year, which was at the very deepest part of the depression.

These accomplishments were not made possible by hypnotism, mesmerism or mirrors. No "salesmanship" either, unless plain leg-work, carefully planned strategy and concerted effort by earnest, eager men is salesmanship.

The large national sales force can be handled in the same general manner as the small group, but it takes a longer time. Much delegation of authority, education of the teachers, and distance add to the obstacles. But these can be overcome if more time is allowed.

In the case of the old, established companies with salesmen of many years of service it is difficult for the sales manager quickly to change habits which have been formed. By the addition of new blood, with careful training of new men before they are allowed association with the older ones, it is possible to effect changes in sales procedure painlessly. If the program is correctly developed, the new men will shame the oldsters into the newer methods without need of pressure being brought to bear. The entire thought behind the installation of changes in technique contemplates "selling" the idea to the men, rather

than forcing it with threat of dismissal if it is not immediately and enthusiastically accepted.

Many instances can be cited of the success of planned procedure, sound education, and directed effort preceded by expert analysis of conditions. It can be stated that:

The so-called natural-born salesman instinctively uses the same methods that other men, not so gifted, must be taught.

Selection by questionnaire generally is an outrage and an admission of inability to judge men by personal contact.

A sales organization operates on the



*People who can build—  
can buy!*

**H**OUSTON'S building permits for the first seven months of 1936 amounted to \$11,209,600.

This is more than the total of the second and third largest cities in Texas combined.

Conservative estimates are, that before the end of the year, this figure will reach \$20,000,000—yet, Houston's mounting building permits are due principally to the large amount of residential construction.

People who can build—can, and do buy. Will it be your product?

Don't overlook this rich and responsive market. The biggest in Texas.

## THE HOUSTON CHRONICLE

"Largest Daily in Texas—Lowest Milline Rate"

Leads the State in National Advertising

R. W. McCARTHY  
Manager National Advertising

THE BRANHAM COMPANY  
National Representatives



law of averages and on the performance of the average man.

Every company and every product has a definite pattern of procedure whereby its goods can be sold in satisfactory volume by men of average ability.

It is the task of sales management to determine accurately what that pattern is and to make it available in terms understandable to the average man.

It is the next problem of sales management to set up whatever supervision is necessary to see that the pattern is followed within the limits of the individual capacity of the men; to encourage initiative and to depend on steady, well-directed activity, rather than individual brilliancy.

## Advertising Campaigns

[ Old and New Products as Promoted in Newspapers, Magazines, Radio, Dealer Helps and Billboards ]

### Quaker's Quints

The five little Quintuplets' tale promises to have as many sequels as an earlier children's classic, "The Five Little Peppers and How They Grew." Quaker Oats adds a chapter with a rip-snorting prize contest.

For the best title to a photograph of Dr. Dafoe and the Quints, Quaker Oats is awarding 4,168 prizes, starting with Chevrolet sedans, Frigidaires, RCA radios, and sloping down to one and two-dollar consolations. About 3,800 newspapers will run the contest copy, starting September 27 and continuing through December 15. *The American Weekly*, in color, *Metro-politan Weekly*, rotogravure, and the Hearst comic sections get on the schedule. Car cards nationally also.

Currently basking in the largest business since 1917 (when as a war measure every housewife had to buy a certain amount of oatmeal to get flour), Quaker Oats wants still more. Beginning this month, extra space, some of it in color, appears in *McCall's*, *Woman's Home Companion*, *Good Housekeeping*, *True Story*, *Better Homes and Gardens*, *Farm Journal*, *Household*, *American Agriculturist*, and *Dakota Farmer*. Magazine copy, however, does not mention the contest, concentrating on the Dionne babies and vitamin "B," both of which have been found productive themes.

### Polls and Tires

Whether the *Literary Digest* presidential poll indicates a preference of

In every case a definite measure of satisfactory effort must be set up aside from actual sales volume and this quota should be attained as well as sales volume quota. This may be in terms of calls per day, demonstrations per week or whatever else there may be which has a similar relation.

To guard against routine methods or canned sales talks, individual interpretations of procedure by individual salesmen should be encouraged so long as their results are average or better. This means that if their departure from standard procedure brings them below average, their individual ideas are not so effective as the standard pattern and therefore they must conform to the latter or work for someone else. There is no room for erratic failures.

the Sovereign Peepul for the Republicans or the Democans, it will, undoubtedly, sell more Goodyear tires. For Goodyear is sponsoring a broadcast of the poll's results.

Because the *Digest's* pre-Election straw vote is done in a big way—ten million ballots, Goodyear is cutting loose on a large scale also. A thrice-weekly broadcast over the NBC-Blue network, ads in about 800 newspapers of 700 cities, mentions in 200 magazines and trade paper ads will all call attention to the poll—and to tires.

Thirty thousand Goodyear dealers are being furnished window displays, banners, and similar tie-ups capitalizing on the boiling political stew. "Poll-O-Meters," charts with which listeners may keep score as the returns are put on the air, will be given away by the dealers to customers.

Neither NBC nor Goodyear will

have any hand in distributing ballots or compiling returns. The *Digest* makes up its own mailing list from official rosters of telephone and automobile users, lawyers, doctors, and so forth, exactly as it has done for previous polls since 1920. So accurate have been former straw votes that many thrifty souls have proposed the elimination of elections after the *Digest* returns were all in.

Beginning September 2, NBC's commentator John B. Kennedy will announce the results each Monday, Wednesday and Friday until Election Eve. From time to time he will interview political experts who will interpret the trends.

Goodyear and Arthur Kudner, Inc., agency believe they have picked a winning candidate in the race for popular attention. Only once in four years can an advertiser hook his product to a subject of such fever-pitch interest.

### Banks Take the Air

Some 14 banks from Delaware to Iowa will sponsor a program on a national CBS hook-up about November 10. The Philadelphia Orchestra has been signed for three years to render symphonies exclusively for the group. Anxious to avoid any suspicion of politics, the banks are carefully waiting until after the election. What the sales talk will be then is not divulged at present by the Wessel Co., Chicago, which lined up the participants. The latter include:

Chase National, New York; Marine Midland group; Pennsylvania Co., Philadelphia; First National, St. Louis; First National, Pittsburgh; Fifth Union Trust, Cincinnati; Ohio Citizens Trust, Toledo; Bankers Trust, Des Moines; Rhode Island Hospital Co., Fort Wayne; American National, Indianapolis; Marshall and Ilsley Bank, Milwaukee; Detroit Bank, Detroit; and the Delaware Trust, Wilmington.



Home Touch: Ford Motors' newest outdoor poster, one of a series with a "real folks" flavor, is from a painting by Howard Scott. The original water colors are reproduced by Strohbridge Lithographing Co., Cincinnati. McCann-Erickson is the agency.

## FTC Answers Questions on Robinson-Patman Act

(Continued from page 314)

margin is such that he can give Wholesaler A a large enough discount to absorb A's wholesaling cost and permit Wholesaler A's retail customers to sell the commodity in competition with large Retailer B. Retailer B complains to the Federal Trade Commission against Manufacturer X. What is his defense? I believe he can say, under Section 1 of the Robinson-Patman bill, that the only price discriminations which are prohibited are those which tend to create a monopoly, unduly lessen competition, injure or destroy a competitor's business or the business of the customers of either of the parties to a discrimination. He can say he is not a monopoly. By giving Wholesaler A the discount, Manufacturer X has not lessened competition. He has preserved it. He has enabled Wholesaler A's customers to compete with large Retailer B. He can also say that he has not injured large Retailer B because the amount of discount was only great enough to permit the customers of Wholesaler A to sell at the same retail price as large Retailer B and did not permit the underselling of B. The fact that the discount or discrimination made to Wholesaler A exceeded the difference in cost of manufacture and sale and delivery does not present a case for large Retailer B against X.

"I believe this interpretation of the statute to be sound. There is nothing in the Act which prevents the granting of a 'functional discount.' On the other hand, as I see it, there is nothing in the Act which 'requires' or 'compels' the granting of a 'functional discount.' If Manufacturer X sells to Wholesaler A at the same price at which he sells large Retailer B, I believe it is very doubtful that he can be brought to book.

"The original House bill and the final Senate bill contained a provision for classification of buyers. It was as follows: 'Nothing herein contained shall prevent or require differentials in price as between purchasers, depending solely upon whether they purchase for resale to wholesaler, to retailer or consumer or for use in further manufacture.' In the House Judiciary Committee, this provision was stricken from the bill and the Senate conferees receded and agreed to have such classification omitted. The deletion of this provision may be tantamount to leaving dealers unmolested and unregulated concerning the so-called 'functional' discounts. In other words, the bill neither 'prevents' nor 'requires.'"

### The Effect on Use of Premiums

A number of subscribers have written in to ask whether the Robinson-Patman Act bans the use of consumer premiums. Frank H. Waggoner, editor of *Premium Practice*, has made the following analysis after consulting with staff members of the FTC and Senatorial and House Committee Members:

"It must be borne in mind that in any premium use, there is no competition in connection with the article used as a premium, for that is not the line of business in which the premium user is engaged. Because a coffee roaster offers a cup and

saucer as a premium, he is not in the china business, nor can he be held to be in competition with manufacturers, jobbers or retailers of cups and saucers. He is still a coffee roaster, and the use of the cups and saucers is incidental, and not on a solely merchandising basis.

"Taking the most frequently recurring requests for advice regarding the effect of the Robinson-Patman Act on the use of premiums as representative of the questions uppermost in the minds of our readers, *Premium Practice* believes:

(1) That it is not necessary for a premium offer to be made all over a manufacturer's distribution territory, but may be made in such areas as conditions indicate are advisable.

(2) That neither combination sale nor purchase privilege offers constitute a violation of the Act.

(3) That the offer of an article for a specified sum of money in addition to required evidences of purchase of one's own product does not violate the Act.

(4) That a combination sale offer in which the sum paid that represents the added article may be returned when purchases of the products of the concern making the offer reach a designated aggregate, does not violate the Act.

(5) That under the Act it is not necessary to restrict one's premium offers to those that do not require additional cash beyond the price of the manufacturer's own products.

"These views are predicated on the supposition that the premium cost is not such as to reduce the transaction as a whole into the non-profit class and thereby become subject to the provisions against loss-leaders."

# Profits ahoy!

You don't need to be a prophet to see profits ahead when you offer a Furness Bermuda trip in a sales contest. Here's a prize that works like magic, on men and sales records alike . . . and outdistances the old fashioned cash prize like a sixteen cylinder roadster passing a horse and buggy.

The success of the *Monarch* or the *Queen*, plus Bermuda, as a sales getter isn't based on prophecies—it's based on facts! Some of the largest business organizations in the country have given Furness Bermuda trips their hearty endorsement as a sure-fire means of pepping up sales records.

There's no reason why you shouldn't profit, as well as they! Our Convention Department will gladly furnish you with contest plans, broadsides, portfolios . . . and show your organization how to set a new record in profitable sales.

★ ★ ★ ★

The "Monarch of Bermuda" and the "Queen of Bermuda" are transatlantic-size vessels . . . famous for their "pleasure-planned" luxury and comfort. Every stateroom with private bath or shower. Ship-to-shore telephones. Shipboard facilities for conventions large or small.

For further information write now to the Convention Department, Furness Bermuda Line, 34 Whitehall St., New York, or 180 N. Michigan Ave., Chicago.



The Quota is the Basis of Your  
Sales Success

## Study This Helpful Book SALES QUOTAS

A Manual for Sales Managers

by PERCIVAL WHITE

Published by Harper & Brothers

This volume has been written to assist the sales manager in meeting the growing competition in business through the use of sales quotas.

It is the first complete statement of the underlying theory of various kinds of quotas, the use of market analysis, the application of scientific methods to quota setting, and the quota in operation and practice.

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#### Introduction:

Kinds of Quotas and Their Uses  
Theory of Quota-Setting

#### The Market as a Quota Determinant:

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Dividing the Sales Quota  
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Incentives for the Sales Force  
Installing the Quota System

#### An Example of Quota Practice:

Formulating a Quota for Cosmetics  
Quota Plan for a Stove Company

The price has been reduced. It was formerly \$4.00. Now you get it with a year's subscription to **MARKET RESEARCH**, the monthly magazine, exclusive in its field, for only \$3.00, prepaid postage. (Offer good in the U. S. only.)

#### MARKET RESEARCH

Rockefeller Center, New York City

Send me a copy of Sales Quotas and a year's subscription to **MARKET RESEARCH**, both for \$3.00, postage prepaid. (Offer good in U. S. only.)

( ) Remittance enclosed ( ) Bill me

Name .....

Address .....

Business Connection .....

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## MEDIA AND AGENCIES

Publishers' New Promotional  
and Editorial Stunts . . . Spot  
News of the Ad World

### EXTRA SPECIAL MAN BITES DOG!

The SALES MANAGEMENT editorial staff is still shaken as a result of a letter from a Texas radio station received last Monday. The president of this station wanted some information and added as a reason for wanting it: "We are contemplating starting a newspaper and would like this information."

### Publication Innovations

The September issue of Condé Nast's *House & Garden* appears as a double number—two separate magazines with a hole punched in the upper left-hand corner of each and joined by a green cord. Section One is devoted to trends in decoration. Section Two to a portfolio of 30 houses. Advertising lineage in this September number was up 110% over last year. The idea looks so good to the publishers that they are bringing out in October another double number with one section devoted to house furnishings and the other to the bride. In March will appear another double number on house plans.

With the opening of the "Home of the Month" on the Frank Vanderlip development in Scarborough-on-the-Hudson, the number of model homes sponsored jointly by *McCall's* Magazine and the National Association of Real Estate Boards has reached a total of 63 in 19 states.

The *Washington Times* on August 10 printed the first advertisement successfully transmitted by International News Soundphoto Service. The merchandising counselor of the Hecht Co. purchased some unusual furs in New York on Saturday, the 8th. Because the store was closed that day it was impossible to get layout and copy handled in Washington under the regular advertising routine. With the co-operation of a New York copywriter and layout artist Soundphoto rushed the entire advertisement to Washington in a jiffy.

Reproduction of four-color advertising copy in a regular newspaper run was featured by the *Pasadena Star-News* and *Post* in a special eight-page section on August 17. The section was published to show what could be accomplished through the intelligent use of improved newspaper color printing facilities. The *Pasadena* publishers consider especially noteworthy the reproduction of a Packard advertisement which appeared originally in the *bet-ter smoothies*.

*Hardware Age* this week set a new all-time record with its annual "Who Makes It?" issue. It contains 650 pages, including 325 condensed catalog advertising

pages, featuring the products of 438 different advertisers—an increase of 36 advertising pages and 45 advertisers over any previous issue.

*Architectural Record* is continuing its popular and successful Market Directed issues. Number Four, just published, featured stores and commercial building types. Advertising volume was 73% ahead of last year and 60% of the advertisers correlated their advertising copy by describing the latest materials and equipment adaptable for commercial building types.

The *Honolulu Advertiser* celebrated its 80th anniversary with a big special edition jammed with advertising color pages and fascinating reproductions from its first issue in 1856. The largest advertisement in that issue—and it was large for those days—was an 11-inch single-column advertisement of a ship chandler and importer. One column of the first page of the initial issue was devoted to a series of gags, some of which you may have overheard recently on the radio. Here are a few samples:

"A man down East snores so loud that he has to sleep in the next street to prevent waking himself up."

"I shall be indebted to you for life, as the man said to his creditors when he ran away to Australia."

"The longest day is now discovered to be the day before your wedding."

"If you wish to cure a scolding wife, never fail to laugh at her with all your might until she ceases—then kiss her. Sure cure, and no quack medicine!"

"He who goes to bed in anger has the devil for his bedfellow. A wag desires us to say that he knows a married man who, though he goes to bed meek and gentle as a lamb, is in the same predicament."

*The Advertising Almanac*, a service issued by the advertising department of the Hearst Newspapers, has launched an ambitious plan to advertise advertising. It is pointed out that advertising, as a constructive force in business-building, is today constantly under criticism and attack. It is usually the first expense item to be challenged by bankers, economists, lawyers, and other experts when examining operating statements of customers and clients. The first article in the series, by Arthur Brisbane, appears in the September number, and the October issue will carry an article by Albert D. Lasker, president of Lord & Thomas. In this article Mr. Lasker says:

"Advertising is Salesmanship-in-Print. Those five words, which in the last three decades have become so familiar to advertising ears, still hold the golden key to advertising success. They should be deeply ingrained in everyone who practices

SALES MANAGEMENT

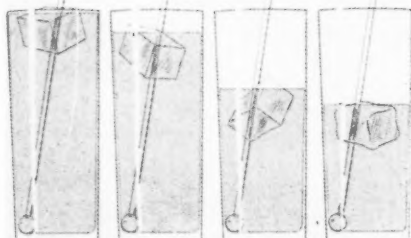


the art and science of advertising. Simple and clear as their meaning is, there are times when the basic salesmanship of advertising is overlooked."

Liquor Advertising — N. Y. Evening Papers

FIRST SIX MONTHS

1936



**What! No More Pie Charts?** The New York *World-Telegram* sent out recently a cardboard dummy of a liquor case and had it delivered by uniformed Western Union messengers to prospects. Obviously the story inside had to do with the *World-Telegram's* advantages as a medium for liquor advertising and the lineage gains they have made in that classification since 1934. Less obvious were the charts used to put the story over. The highball glasses shown above owe their genesis to the familiar but over-used bar charts. Tying the chart up to the product increases attention value.

### Newspapers Extend Gains

The Media Records, Inc., check of July advertising in the newspapers of 52 leading cities shows a 12.7% gain in total advertising—a figure which compares favorably with the magazine and radio gains reported on page 340. For the first seven months the gain was 9.3%. July therefore exceeded the average gain for the year.

### About People

Arthur Samuels has resigned as editor of *House Beautiful* and Richard E. Berlin, executive vice-president, announces the appointment of Kenneth K. Stowell, editor of *American Architect* and *Architecture*, as the new editor. For seven years Mr. Stowell was editor of *Architectural Forum*. . . . Dan M. Stall, formerly of the Chicago office, has been placed in charge of the Detroit office of *Motor*. . . . James M. Doherty, Jr., formerly advertising manager of *Toilet Requisites*, has joined the advertising staff of *Chain Store Age* to do specialized work on the Druggist and General Merchandise editions. . . . Lee Andrews, formerly advertising promotion manager of the Essex House, has joined the sales staff of Macfadden Women's Group.

★ Mildred Edie, editor of *Tide*, has resigned effective October 1, and David Frederick, son of J. George and Christine Frederick, has been appointed to succeed her. . . . Margaret Murray, recently a home economist and lecturer for the Maggi Co., has joined the staff of the *McCall's Magazine Kitchen*.



SEPTEMBER 1, 1936

The following men have joined the Chicago office of the Criterion Advertising Co., Inc.: Gil E. Morgan, John W. Rafferty and Philip Downey. Howard Hillman has joined the Boston office.

### Butterick Changes

Important changes in top personnel of Butterick Co. and a new deal for *Delineator* were announced late in August. President A. D. Mayo heads the company. Stanley R. Latshaw resigned as *Delineator* publisher while retaining his company stock ownership. Earl M. Wilson, who was eastern manager for Curtis Publishing Co. at New York for 16 years and later reorganizer of *National Geographic* in 1932-34, came in as *Delineator* publisher. Julian U. Cargill resigned as the magazine's advertising director. Little change in *Delineator's* format is in prospect, but its selling will be on a circulation guarantee of 1,000,000.

### Trailer Travel Appoints:

The trailer industry, which Roger Babson predicts will grow so fast that in 20 years half the population will live on wheels, now has its own magazine, *Trailer Travel*. Ray G. Maxwell and Co., Inc., have been appointed advertising representatives.

### Glorifying Milwaukee

In line with the proverb, "one picture is worth 10,000 words," the Milwaukee *Journal* assumes that an article should be worth a thousand pictures. Irwin Maier, advertising manager of the *Journal*, is

sending weekly mailings of typical Milwaukee-market products to the men on his promotion list. Mailing Number One was a handy auto wax kit made by the S. C. Johnson Co., of Racine. Number Two was an ash tray made by the West Bend Aluminum Co. An accompanying letter pointed out that six cities in the Greater Milwaukee area have one or more sizable aluminum plants. . . . Is a Nash car going to be one of your mailings, Mr. Maier?

### Agency Notes

Arthur W. "Tiny" Stowe, for 12 years a prominent figure in the radio world, has dissolved his own production agency to take charge of the radio department of Hays MacFarland & Co. . . . Glen Jocelyn, formerly with Fletcher & Ellis, has joined the copy staff of Federal Advertising Agency. . . . Robert W. Mickam, for the past few years with Erwin Wasey & Co., and formerly in charge of advertising for the Ford Motor Co., has joined the Lawrence Fertig Co.

MacManus, John and Adams, Inc., have announced the following personnel changes: Robert M. Ross, formerly with the Detroit *Times*, will handle the Cadillac-LaSalle publicity; George Davis has been transferred from the Pontiac account to the Cadillac group, and will be replaced in that group by Edward Taylor, formerly with D. P. Brother Co. John Kimball will also work the Cadillac account. . . . Cecil P. Underwood, who has been connected with radio since 1925, has joined the New York radio staff of Ruthrauff & Ryan, Inc. . . . Frederic A. Lyman has joined the Cleveland office of Fuller & Smith & Ross.

(Continued on page 353)

# YOU CAN COVER AKRON

Ohio's Second Industrial Market

by concentrating  
your advertising in

## OHIO'S FIRST Evening Newspaper

# AKRON BEACON JOURNAL

ESTABLISHED 1839

Represented by Story, Brooks & Finley

16c PER AGATE LINE

[345]



# SALES LETTERS

BY MAXWELL DROKE

## Let's Climb the Golden Stairs of Stair-Step Selling

I am mildly demented on the theme of what I term "stair-step selling." That is, making one sale lead to another. It is an art I mastered many years ago, selling subscription books, and it has lost none of its effectiveness with the years. I think we do not begin to evaluate the tremendous latent sales power that is inherent in a well-served customer. The man who has bought our product, and is satisfied with his purchase, gets a tremendous psychological "kick" out of recommending

the merchandise or service to others. He *likes* to do this. It gives him a sort of Boy Scout glow of satisfaction to bring a good product and a good prospect together. We ought, more frequently, to give him the opportunity.



Maxwell Droke

I was interested in going over this matter recently with Don Frank, advertising manager of Williams Oil-O-Matic Heating Corp. "It has always been our contention," says Mr. Frank, "that an Oil-O-Matic owner is the potential of five additional sales. These five sales may be effected through owner conversation, or through the owner submitting prospect names to the factory, dealer or salesman."

"Recently, as a test, we circularized 8,873 owners selected at random in three states. These owners returned 540 cards, containing 1,127 prospect names. In addition, 169 owners expressed interest in the Oil-O-Matic water heater; 93 requested information about the Oil-O-Matic electric refrigerator. In other words, we received a total of 1,389 sales leads—leads far above the average, since they were furnished by those who have firsthand information regarding the prospect's financial status and ability to pay."

### Here's How Oil-O-Matic Does It

Here is one of the letters recently used by Mr. Frank in his campaign:

"Dear Mr. Jones:

"It's human nature to be proud of our possessions. From childhood on up, we like to know that our coaster wagon, our bike, our car is the best.

"This letter is to remind you that Williams Oil-O-Matic—the oil burner that heats your home—is still the leader in its field, just as it was when your Oil-O-Matic was installed.

"As evidence of continued Oil-O-Matic leadership we cite these facts: Forty-eight different foreign countries—twenty-seven

different climates—have sent to America for genuine Williams Oil-O-Matics. Oil-O-Matic users make up the largest single owner group in the oil burner industry.

"Naturally, we are proud of this worldwide preference for Williams Oil-O-Matic. It is a sure indication of the confidence which Oil-O-Matic performance has won and kept. Why not give us an opportunity to tell the Oil-O-Matic story to friends or relatives whose names come to mind as you read this letter?

"Write their names and addresses on the enclosed card and mail today. No stamp necessary. Your name will, or will not be, mentioned, as you wish. Thank you!"

### A Welcome to the Fold

New customers receive this letter, signed personally by C. U. Williams, president:

"Welcome to the ranks of our great Williams Oil-O-Matic owner army—more than 200,000 strong. You will be interested to learn that you are a member of the largest owner group in the entire oil burner industry.

"Like every other Oil-O-Matic owner, you are proud of the fact that your home is heated by the same kind of oil burner used in such famous structures as the Cathedrals of Rheims and Canterbury—Westminster Abbey—the new Y. M. C. A. in Palestine, and scores of others.

"Our interest in the product we manufacture does not stop with its installation. In fact, just the opposite is true. Your name has been recorded here at the factory, with those of our thousands of other owners everywhere. From time to time interesting and timely information is mailed to this great list.

"If your travels ever take you in the vicinity of Bloomington, Ill., pay us a visit and see how the world's most popular oil burner is manufactured."

In a later letter, the new customer is told that "53 per cent of the Williams Oil-O-Matic sales are made on the strength of owner recommendations." A final paragraph suggests:

"Right now you can call to mind the names of friends and relatives who should be enjoying the priceless comfort of genuine Williams Oil-O-Matic heating. Why not write their names and addresses on the enclosed card and mail today—no stamp necessary? This generous cooperation will indeed be appreciated."

### Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

## How's Your Prognosticator Working for 2000 A.D.?

Now comes *The Colophon*, de luxe publication of the graphic arts, with what is perhaps the ultimate in prize contests. We quote from a current brochure:

"In the Year 2000 . . .

A Prize Contest for 1936

"Very few of the present readers of *The Colophon* will be alive in the year 2000. But the chances of *The Colophon's* survival are better. One hundred and eighty libraries subscribe for it, and a goodly number of private collections include it. It may be that at the turn of the millennium, some of your descendants will have occasion to refer to Volume II of the New Series. They may even bless . . . the foresight of their ancestors who supported so worthy a venture. . . .

"Pretend prophecy for a moment, and tell us what ten *American authors now living* you think will be considered 'classics' by the reading public 64 years hence?

"To make the game more fun, we want you to list them in the order of their chances of permanence; that is, your candidate for the number one position should be the author whose books are most likely to survive the test of time. . . .

"The three contestants who come closest to listing the ten authors established by the voting, in the order set by popular choice, will receive prizes."

An ingenious feature of the contest is that the "Claim to Fame" ballot is printed on the reverse of a subscription form, thus tempting the contestant to vote and enter a subscription simultaneously.

## A Fresh Sales Letter Slant Borrowed from the Bankers

Fred C. Jungbluth, who operates a mailing service in Chicago, has recently used a letter form which is new to me. I quote the opening paragraph:

"Banking institutions consider it a matter of vital concern for prospective clients to become acquainted with the financial conditions of the establishment before investing a single dollar. With this thought in mind, we have prepared a simple straightforward statement of our business."

Then follow several paragraphs under such headings as "Ownership," "Plant," "Location," etc. Concluding with:

"Liabilities: Our only liability, outside of some few current accounts, is the fact that we do not find your name on our ledger sheet. To say that we are gravely concerned over being denied the privilege of serving you, is putting it mildly. To say that we can serve you better than anyone else, including yourself, is the truth. But to say that we have nothing of interest to you, is a real challenge. Why not let us change this liability into an asset by taking care of your immediate needs?"

SALES MANAGEMENT



# Texas Seeks \$5,000,000 for 5-Year Advertising Program

**A**FTER the Texas Centennial celebrations, what? What will keep the ball of Texas publicity rolling? The state's Lieutenant-Governor, Walter Woodul of Houston, has proposed that Texas follow up its tourist-getting Centennial with a five-year advertising program. This would mean an expenditure of \$1,000,000 annually—\$5,000,000 in all for a continuation of the newspaper, magazine, billboard, radio and direct mail advertising program that has been selling Texas attractions to the world for a year.

In Texas newspapers, all over the state, Mr. Woodul has cited the value of the tourist "crop" in comparison with other "crops" in various foreign countries and states of the U. S., and given figures on the advertising amounts spent to draw in such business.

"Texas, being larger than most places and larger than several other states combined, needs the biggest advertising appropriation," said Mr. Woodul. "It would be most unfortunate if we were to lose the momentum we have gained with the Texas Centennial celebrations. Our advertising expenditure should be large enough to keep the good impression of Texas growing—to make every Centennial visitor more and more proud of having come here, and to make him eager to return. Southern



Winter Tourist Bait: Paid space may soon be tempting the northern sportsman into Texas. These deer, for example, bagged in West Texas, might well prove irresistible to many an avid hunter.

SEPTEMBER 1, 1936

California has found that 10% of her tourists eventually return to locate."

As a starting point, Mr. Woodul has suggested that the \$1,000,000 be divided into four funds: \$200,000 to apply on attractions for tourists, \$250,000 on agricultural assets, \$200,000 on pointing out the industrial possibilities including undeveloped resources, and \$350,000 for use in printing and distributing pamphlets and bulletins for follow-up literature and an allowance that would permit the state to dive in and help specific industries, as the citrus growers, tomato growers and rose culturists, best promote their own products.

## Fund from Public Donations?

"All in all, five more years of Centennial growth would be a rich prize for Texas," Mr. Woodul said further. "Farmers would have more sales for their products, and get better prices. City dwellers would be benefited by the increased purchasing power of the state. Resort spots, as Mineral Wells, Marlin Wells, Davis Mountains, Glen Rose, Lake Worth, Lake Dallas, San Antonio, Kerrville and the Gulf Coast would enjoy a boom.

"What Texas needs is more capital and population to develop industry, and this ambitious advertising plan, with its repeated lure for tourists and its factual angles to interest big business executives, would provide Texas with both. It would keep the Centennial thunder roaring, and Old Man Texas' tourists right in his own corral."

Texas editorial writers are commenting on how this plan to retell the romance, glamour, history, climate, fishing, scenery and bluebonnets that attract outsiders can be financed. Says the Dallas News: "There would be small chance of getting it in the form of legislative appropriation. The logical alternative would be public donation. This would raise the question as to division of advertising funds as between general state and purely local benefit, because some communities would be less willing than others to contribute to the state-wide pot. Such a problem might be worked out on a basis of uniform percentage of contribution to state purposes from leading local chamber of commerce budgets.

"There will be difficulties ahead of any plan, whether supported by tax-



## "Bring Home the Groceries"

### A NEW SALES CONTEST

Here is a proven plan to stimulate sales through your salesmen. Six assortments of Monarch Brand foods offered as prizes. A complete mail-campaign . . . eight mailings, produced in full color, all ready for YOUR OWN messages to be filled-in. Suggested letters furnished. Send for complete outline of plan and complete instructions, bound in 8 1/2 x 11 file folder . . . \$2.50. (Full credit allowed if 25 or more sets are ordered.)

### INTRODUCTORY OFFER

ENCLOSED find \$2.50 for 1 complete File Copy of your "Bring Home the Groceries" Contest Plan, for which I understand credit will be allowed if 25 or more sets are ordered later.

Name of Company . . . Title . . .  
Ordered by . . .  
Address . . . State . . .  
City . . .

COMPLETE FILE COPY . . . \$2.50

ROY BELNAP, President  
DOUGLAS E. THOMPSON, Vice-President  
**United Sales & Service Co.**  
222 West Adams Street • CHICAGO



tion or private donation, but something of the kind ought to be attempted. Texas needs the advertising, and the years immediately following the Centennial constitute the logical period. There will be shameful waste of opportunity unless something is done. Texas has lagged behind California and Florida in some respects because it has not been as ready to let the world know about its resources and economic possibilities.

#### Texas C. of C. May Handle It

"There are three large regional chambers of commerce, representing East, West and South Texas, and an interregional advisory body is supported for correlation of effort in matters of state-wide range. The advertising campaign might be conducted through this body. If something is to be done, plans should be laid at once. The advertising campaign should follow immediately on the heels of the Centennial."

Hope that some such plan as outlined by Mr. Woodul could be worked out, was enthusiastically expressed by C. J. Crampton, executive secretary of the Dallas Chamber of Commerce.

Consensus of business leaders, as obtained by SM, was that somehow a major advertising program for Texas will be continued, and that some definition of its details will soon be arrived at in time for publicizing the Tyler rose festival in the Autumn . . . for tempting copy on the palm trees that promise Winter paradise in San Antonio while eastern thermometers record freezing . . . for tourist bait on the orange trees that blossom in the sub-tropical Rio Grande Valley . . . for allurements on the incomparable playgrounds of Galveston and Corpus Christi and the tarpon fishing at Aransas Pass . . . and for the approaching turkey trot in Cuero.

Having merchandised herself for a year with eye-opening results, Texas has become too hale and hearty a showman to let the applause die.

#### Packard, RKO Radio Co-op

Packard Motors and RKO Pictures will jointly sponsor two contests to promote forthcoming Packard models, the Packard radio program (on NBC's Red network) which starts September 8, and the screen musical film, "Swing Time." Fred Astaire is the star of both picture and radio hour. The first contest is open to all patrons of theatres showing the pictures, and prizes, consisting of 12 cars, go to the best description of Packard's new models. The other contest, open to theatre managers and publicity men, will award three cars for the best cooperative campaigns on the picture in conjunction with local Packard dealers.

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Photo courtesy Dallas "Morning News"

Through Mexico the great highway winds. Will it become a trade route for American business?

## Business Eyes Mexico as Market; Traffic Brisk on New Highway

CONSIDER the market of the Republic of Mexico now that the new Pan-American highway has replaced the ancient trails that lead to the old-world interior. Heretofore comparatively inaccessible to the automobile-traveling public, this neighboring country, that was rather a granddaddy when the Aztecs built Mexico City way back in 1325, is now easily accessible by motor from the U. S. A.

Smooth highways that make you want to kick the speedometer up to 75 converge at Laredo, and with about half that speed tourists make Laredo from New Orleans or St. Louis in two days, from Chicago in three, New

York in five. Monterey is three to four hours from Laredo, Saltillo five, and Mexico City two days.

The Mexican consul in Dallas told SM that between July 1, when the highway was formally opened, and July 4 more than 2,000 automobiles alone presented "Tourists Cards" (costing \$3.60 Mexican money at the border or \$1.00 at the Mexican consulates) and entered the land of dark-eyed señoritas and wild orchids. Since then, the traffic flow has been constant with 90% of it in automobiles.

Texas, in particular, looks upon the Pan-American highway as an event of special importance to its economic future. On the southeast lies 270



Market day at Ixmiquilpan on the Pan-American highway. The village is famous for its baskets—here being woven by the men in the background. The senora spins industriously between the periods of bargaining with customers for her eggs.

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miles of Gulf Coast, and on the southwest is a border of 900 miles along the Rio Grande. On the west and northwest Texas borders other states of the nation, but they are not densely populated and there is little commercial intercourse across the boundary line with New Mexico, northwestern Oklahoma or the still farther distant states of Arizona or Colorado. Most of the trade in this direction consists of through tourist traffic to California.

Development of the deep water ports in Texas opened the southeast side to commerce. Growing commercial importance and population of the western states, especially California, stimulated trade to the west. One blind side remained—the 900 miles along the Rio Grande. The approach of a stable economic and political order to Mexico and the opening of a great highway is breaking down this barrier which heretofore has been crossed only by a few rail lines. Texas becomes the gateway between Mexico and the populous centers of the United States.

#### Ad-Loving Mexicans

The Mexicans are generous advertisers—however poor their printing and layouts may be. Here, the appeal in advertising is romantic and aesthetic in its design regardless of the product. Mexicans are particularly sold on the selling power of photographs of gorgeous girls. A maker of what is known as *caffi aspirin* (can't be sold in U. S. at all, too much like dope—one tablet almost blows your hat off) uses a photograph of just such an irresistible girl, with the suggestion that his *caffi aspirin* made her so beautiful, and that if you use this aspirin, you, too, will be in such superb shape.

Similarly advertised is *No-Doze*, one tablet of which has the awakening-power of about 40 cups of coffee.

Calendars are a favorite advertising medium in this mescal and tequila country, but the merchants don't give them away—they sell them! Shops plastered with calendars for sale are a common sight on New Year's. Telephone directories are another preferred medium. In Mexico City, directories are four inches thick, actually bulging with advertising, and every family has two because of the two telephone companies.

Candies—mostly in weird colors of yellow, cerise and blue—are important products, and at least one manufacturer of chocolates in Mexico City has gone strictly modern in providing radio music for his girls while they work. Mexicans are deeply affected.

SEPTEMBER 1, 1936

## Actual Photograph\*

## Of a Company Thinking Good Research is Bought by the Yard

THIS company calls us on the telephone and says, "We want to do a survey of the Whoosis market. What will it cost?" or another day, "We are thinking of making 10,000 interviews with consumers. What will it cost?"

The real question is not what it costs but what will it do. Not how much one has to spend but what is it worth to the company. Not how many door bells one rings but what one gets from them. The same *SIZE* survey may be worth \$50,000 or 15 cents.

The most expensive research in the world is the kind that is bought by the yard—no thought given to defining objective, no time in studying how to acquire the desired material, no analysis of whether accurate data can be obtained or of the method best designed to get at the real facts.

The one way of making sure that you get your money's worth is to deal with people who know market research thoroughly (preferably ourselves).

We know how to plan and do research that will make it worth to you what you spend for it.

\* Picturing lack of knowledge.

### HOW BIG COMPANIES USE MARKET RESEARCH TO INCREASE SALES

Series No. 2

This is the second of a new series of case histories, naming names and showing processes. It ought to give you ideas for your own business. Watch for these offers by series number. There will be more of them. Sent free when requested on your letterhead.

## MARKET RESEARCH CORPORATION OF AMERICA

Formerly Percival White, Inc.,  
and Arnold Research Service, Inc.

Rockefeller Center, New York  
120 S. La Salle St., Chicago

*Prevents those wrong decisions, based on  
faulty facts, which cost you time and money*

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by music, and being music lovers, "love" their work when music is in the air.

Store fixtures and buildings are likewise fast going modern, the German architectural influence being evident. Old buildings are being torn down mile after mile in Mexico City

and replaced by decidedly modern dwellings.

Just what is ahead in the progress of Mexican agriculture and its farm market can be forecast by considering the steady liquidation of the great haciendas once ruled by land barons whose possessions were not unlike

principalities. This land is being steadily distributed to Indian families for orange groves, coffee, pomegranates, bananas, tree melons, mangoes and other food products.

When within a few miles of this slick, new highway the traveler bisects at least three climatic zones from the lazy tropical to the stimulating north temperature, it becomes obvious that a richly varied agriculture and horticulture may be compressed into a limited area. It is logical to reason that soon the peon farmer will find his swarthy male offspring educated in the Mexican agricultural schools to make use of up-to-date farm implements and dig into the fertile valleys which now in all the lush growth from Victoria to Tamazunchale (tourists call it "Thomas and Charlie") comprise a gardenia-dotted tropical jungle.

Economists familiar with the section are predicting that such vital streams as Rio Purificacion, Guaylejo, Tampacon, Axtla and Moctezuma before long will find their adjacent beds of silt plowed into farms. Farms of corn, tea, coffee, tung oil, spices, sugar cane and the great variety of products which are probably greater in their diversity than any that can be produced elsewhere on the entire American continent.

Chances are that "selling Mexico" will tantalize the genius of no small number of executives the next few years. Modern selling has its calculating eye on changing the pace of this never-never country. And Mexico, now accessible, is now salable.

## Celluloid Corporation Realigns Sales Groups

Expanding business on new products has caused the Celluloid Corp. to realign its sales divisions. Beginning in August, two new sales divisions are these: Plastics Division handles cellulose plastic materials such as Celluloid and Lumarith (in sheets, rods, tubes and continuous lengths and Lumarith molding powders, box toe materials, dopes and cements), and Fabricating Division sells machined and molded articles in Celluloid and Lumarith.

The other sales divisions of the company remain with designations unchanged: Packaging Division for Protectoid transparent wrapping materials and rigid containers; Chemical Division for Lindol (Tricresyl phosphate) and H-Scale (synthetic Pearl Essence); Film Division for Samson (cellulose nitrate) and Safety Samson (cellulose acetate) film bases; Amerith-Art Ivory Toiletware Division for dresser sets, combs and other toilet articles of Celluloid and Lumarith.

SALES MANAGEMENT

if you sell to retail furniture executives,  
advertise in

## FURNITURE RECORD

Established 1900

if you sell to manufacturers of furniture  
and allied lines, advertise in

## FURNITURE MANUFACTURER

Established 1879

if you sell to department stores,  
advertise in

## RETAIL LEDGER

and its HOME WARE section

if you sell to hotels,  
advertise in

## HOTEL BULLETIN

Member ABC and ABP

Established 1900

all 4 are edited by the staff of

## VINCENT EDWARDS & Co.

World's Largest Advertising Service Organization

342 Madison Avenue

New York City

**MEN WANT LEATHER GIFTS**  
PREMIUMS Write for Catalog PRIZES  
**BRAY & FISLER** 3001 OLIVE ST.  
ST. LOUIS,

TORONTO  
MONTREAL  
WINNIPEG  
LONDON, Eng.

**GIBBONS KNOWS CANADA**

J. J. GIBBONS LIMITED • ADVERTISING AGENTS

REGINA  
CALGARY  
EDMONTON  
VANCOUVER





## In Defense of Co-ops

Editor, SALES MANAGEMENT:

Under the heading "The Scratch Pad," in the August 1 issue of SALES MANAGEMENT, T. Harry Thompson writes the following:

"The United States is sending a Commission abroad to study the co-ops. To this unregenerate economic royalist it sounds like one step nearer regimentation . . . and Russia and the end of the advertising business."

If Mr. Thompson were to read any one of the authentic pamphlets available on co-operation, he would never make such a stupid observation, or, if he were to make it, it would be after and not before attempting to get some basis for an observation. Many of these pamphlets are available from the Cooperative League of the U. S. A., 167 West Twelfth Street, New York City, for 5c, 10c, 15c and 25c.

Perhaps it would be well to refer him to the article in the June issue of *American Business*. Maybe he will observe that the cooperative movement will use more and better advertising than competitive private profit business has used and far more successfully, too. The cooperative movement will not destroy anything that is necessary or of value; instead, it will make greater use of such.

EDWIN J. BATH,  
Legislative Representative,  
Ohio Farm Bureau Federation.

(The editors of SALES MANAGEMENT are wholly open-minded on the matter of co-operatives. Furthermore, we do not seek in any way to influence Mr. Thompson with respect to what he chooses to say in his column—even though on certain points we might disagree. In other words, our attitude and policy is much the same as that of the New York *Herald Tribune* when it gives Walter Lippmann *carte blanche* to say what he chooses, regardless of what conflicts may be involved with the editorial policy of the paper.)

## We Are Sorry, Seattle Times

A Pacific Coast subscriber asks why, in the tabulation of newspaper circulations projected against the population of trading areas, appearing in the August 1 issue, the *Seattle Times'* evening edition was omitted. Human frailty is the only answer. The *Times'* circulation of 83,325 in a trading area of 512,966 gives the paper a rating of 162 copies per 1,000 population, and places it 20th in the national ranking of evening papers. SALES MANAGEMENT's statistical department has been soundly rebuked for the error.

## Patman Reprints Now Available

Editor, SALES MANAGEMENT:

I would like to get 200 copies of "Robinson-Patman Act and Its Probable Inter-

pretation by the Courts and the F.T.C." which appeared as a colored insert in your August 1 issue.

C. A. HIGGINS,  
National Typhoon Co.,  
Buffalo, N. Y.

Editor, SALES MANAGEMENT:

The buff-colored insert devoted to the Robinson-Patman Act which appeared in the August 1 issue is the finest résumé of the situation which I have yet seen. If it is possible to get extra copies of this insert, I should very much like to get as many as I can get up to 25.

E. L. WRIGHT,  
United States Envelope Co.  
Springfield, Mass.

(Demand for extra copies of the special insert was so great that the stock of reprints was soon exhausted. The material has been reprinted again and copies are available at 10 cents each. Among the companies purchasing multiple copies were: E. S. Royster Guano Company, Seminole Paper Corp., Fuller & Smith & Ross, Benj. Moore & Co., L. Sonneborn Sons, Inc., Dayton Rubber Mfg. Co., Eagle Pencil Co., Stevens and Thompson, The Barrett Co.)

## Drug Store Displays

Editor, SALES MANAGEMENT:

I have an idea that drug store window space is not allocated to different kinds of merchandise in the same ratio as their proportion to total sales volume, but that the window space goes to the classes (and in classes, the brands) which are most persistently and effectively backed by national advertising. For example, cigarettes might account for 5% of the annual volume of sales, and less than 5% of the druggists' profits, yet be given 10% or more of the window space.

Have you any evidence to support or refute this argument?

L. C. McELROY,  
United States Advertising Corp.,  
New York City.

(SALES MANAGEMENT's studies show that the persistency, effectiveness and volume of national advertising does have a decided effect on the allocation of merchandise in drug store windows—but that other factors are also important, including the attractiveness, timeliness and size of the display material; the work done by manufacturers' and jobbers' salesmen in pushing and installing displays, and the work of professional window display installation organizations. Intelligent use of one or more of these other factors can secure for moderate size advertisers a quality and volume of displays which may greatly exceed those of larger spenders who give lesser attention to merchandising and distribution of displays. Have any of our readers a better answer for Mr. McElroy?)

# PRESTO!

And Your Shipments  
reach any point in  
the U. S. overnight

by

## AIR EXPRESS

ADVANTAGES OF NEW NATION-WIDE  
AIR EXPRESS

- \* Prompt pick-up and special delivery of shipments at no extra charge door-to-door.
- \* Fast, co-ordinated service between swift trains and planes now extends Air Express speed to 23,000 Express offices throughout the country.
- \* Deliveries up to 2,500 miles overnight — coast-to-coast — border-to-border.
- \* Low, economical rates.
- \* Night and day service.
- \* Shipments accepted prepaid, collect or C. O. D. Prompt remittances.

Merely telephone any Railway Express office for prompt service or information.

## AIR EXPRESS

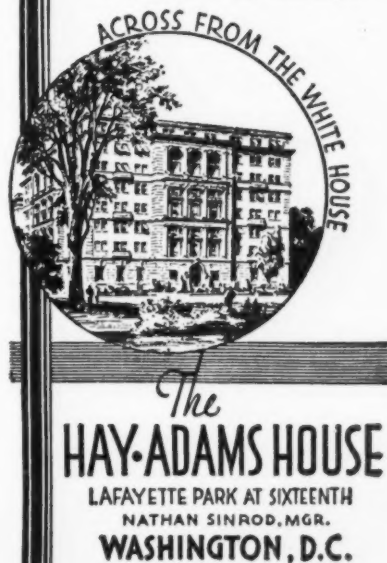
DIVISION OF  
RAILWAY EXPRESS AGENCY

## In Washington

The activities of politics, business and society are more colorful than ever before. You will enjoy Washington.

The best in accommodations, location and smart surroundings are available at this distinctive hotel. Write or wire for reservations.

Nathan Sinrod, Manager



## IN PHILADELPHIA



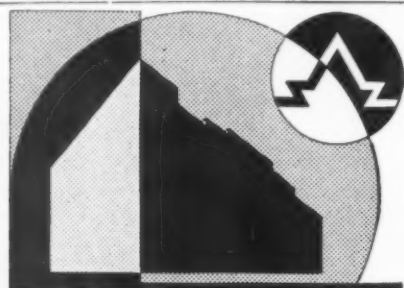
You will enjoy your stay at the Bellevue... you will enjoy its world famous cuisine... its smartly modern comforts and appointments... its traditional hospitality... Your engagements, theatres, shops, sports and transportation are conveniently close by.

Rates as low as \$3.50

## BELLEVUE STRATFORD

One of the World's Great Hotels

CLAUDE H. BENNETT, General Manager



### Bismarck

### HOTEL *chicago*

**JUST** around the corner from everything in downtown Chicago. You will appreciate the time saving convenience as well as the home-like comforts of this hotel.

Write for booklet and map of downtown Chicago

KNOWN FOR GOOD FOOD

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## T i p s



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

### Fastest Growing N. Y. Market in Metropolitan Long Island

According to a most attractive brochure recently published by the *Nassau Daily Review and Daily Star*, a market has been developing in the last decade which is demanding attention of marketing executives, viz., Metropolitan Long Island (Hempstead) in the county of Nassau, just beyond New York City's Long Island boroughs, Queens and Kings. Manhattan having long since overflowed into Brooklyn, Brooklyn likewise overflowed into Queens, now the trek eastward into Nassau is indisputably under way. In 90 years of the nineteenth century Nassau succeeded in doubling its population, but in the first 25 years of this century it again doubled, with a redoubling process already completed in the last decade alone. "1936 Facts and Figures. Metropolitan Long Island" is the title of the study which, having traced this population trend for the benefit of men who are attempting to keep in step with markets, appends motor vehicle and public utilities evidences of spending power; gives housing and population data, income tax returns, retail sales, and an estimate of the food consumption of the 60,000 families therein. The town of Hempstead has grown 23% (estimated) since 1930, as compared with a national growth of 3% and a New York State growth of 4%. For further data send for this study to Harry G. Hall, *Nassau Daily Review*, Rockville Center, N. Y.

### How a Great Newspaper Builds Sales—or Vitamin V

There's a new term abroad in advertising circles—"Vitamin V," the title of a handsome promotional study by The Chicago *Herald & Examiner*. This Vitamin V is described as the energy-factor in the newspaper itself, and therefore in those thousands of readers who follow it, which produces both editorial response and advertising response. The book, a handsome flexible-bound tome, presents these two points of view—editorial response and advertising response—on a great many spreads. For instance, on one page we have the cartoon-feature creator, Robert Ripley, and a following of 77.4% of the readers. Facing this, Maurice L. Rothschild tells why—and how much—he advertises in the *Herald & Examiner* to reach its important section of the Chicago market. Similar examples parade the newspaper's editorial features and its advertising successes. No market study, no statistics. But excellent promotion. For it succeeds in leaving a vivid impression of one of the commonplaces of city life which we are all apt to

take for granted without actually appreciating—a great metropolitan daily, with literally thousands of intimate subscriber contacts, and a tremendous power for business. Copies on request to Norman Meyer, Chicago *Herald & Examiner*, Chicago, Ill.

### New York City Gardens Reveal Unusual Market Story

It may be news to some sales and advertising executives that in New York City and its suburbs the largest yard and garden contest of record in the country is held each year, sponsored by the New York *Herald Tribune*. Away from the canyons of Wall Street and the commercial areas, where such a tremendous portion of the nation's financial, wholesale and retail business is transacted, the universal urge for homes and gardens is expressed in every variety of plot, estate, and pent-house "ranch." From the house and garden photographs submitted in the 1935 contest (5,340 entries) the *Herald Tribune* has built a pictorial-market study which is interesting to New Yorkers and should be even more instructive to others as a revelation of the many facets of this complex area. Plenty of maps and statistics are included, for those so minded—but the brief descriptive stories of the various counties and divisions making up the whole are equally informative to the marketing executive. Copies of "Market Facts with a Camera," available on request to Elsa Lang, New York *Herald Tribune*, 230 W. 41st Street, New York City.

### U. S. A. Map of Distribution

*The Traffic World*, 418 S. Market Street, Chicago, is distributing the first edition of a valuable wall Map of Distribution, priced at \$3 to non-subscribers. The map brings together in a single place basic data that should prove useful to the man in charge of traffic or sales. Freight territories are outlined in gray-shaded lines, and the country is also divided into 189 key distribution areas which are, in turn, arranged into 52 group areas. For each key area is shown in red the name of the city or cities most suitable for use as a center of distribution. Beside each city is a code number to simplify reference to the marginal data relating to the area. The latter give details on population—total, urban and rural, wholesale and retail sales, and number of 1935 carloads of terminated freight.

Other valuable information includes initial and annual fees and taxes applicable to foreign corporations in each state as well as taxes on warehouse stocks and other property.

### Buying Begins at \$20

There are 11,393,677 families in the United States who receive between \$20 to \$40 a week—the so-called mass market. According to a study made by the market research department of Modern Magazines, 149 Madison Avenue, New York, the families in this group do the bulk of the buying of advertised merchandise. National brands, the study shows, are not used particularly by families with an income under the \$20 classification. The average of families using "all other" brands than nationally advertised ones, is 25.4% for those under \$20; 21.5% for the \$20 to \$39 group; 18.1% for the \$40 to \$59 bracket; 17.9% for the \$60 to \$79 classification, and 16.9% for the \$80-and-over group. This indicates that the higher the income

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the greater the use of well-known brands. The 144-page book presents a vast array of valuable factual material on such subjects as the American market by income levels, market coverage and duplication, comparative sales by city-size groups, etc. The study is available without cost only to national advertisers and agencies handling national accounts. People outside these categories are being asked to pay \$25 a copy.

### More Sales, Less Cost, by Plane

Planned travel—based on proper weighting of the job involved, fare-cost, the salary of the traveler, relation of travel time to productive business time—is charted and discussed for the particular attention of sales executives in a recent booklet published by Eastern Air Lines. Bus, railroad and plane transportation are considered, and advantages of the air route under certain conditions set forth without prejudice. Send for "A New Basis for Planned Business Travel," Addressing B. Griffiths, Eastern Air Lines, 1775 Broadway, New York City.

### Store Modernization Needs

The Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, has released this week a 130-page study called, "Store Modernization Needs" (price, 10 cents). It is an analysis of the physical condition and appearance of approximately 8,000 small and medium-sized stores and service establishments in 23 selected cities and it reveals that over half are in need of modernization in varying degrees. The analysis shows a generally unsatisfactory appearance of store fronts—calling for painting, refinishing and new and better outside signs. Painting or repairing of walls and ceilings and improvement of store lighting are reported as the greatest interior needs. The analysis should be of value to all manufacturers of building materials, paints, hardware, signs and store equipment.

**1400 MARKETS AT A GLANCE**  
SALES MANAGERS NEED  
SEND FOR CIRCULAR  
**HAGSTROM'S**  
4-COLOR RETAIL  
**TRADING AREA MAP**  
OF THE UNITED STATES  
20 VESEY ST. **HAGSTROM COMPANY** NEW YORK **IT'S New**

**"BUYERS CAN'T FORGET ME . . . Since I Started this Sales Building Plan"**  
"Thousands of people carry my ads around voluntarily! My ads are imprinted on AUTO-POINT pencils! The easiest pencil in the world to write with; has the "Grip-Tip"; leads can't wobble; it always works! Prospects and customers see my message every time they write—they can't forget me when they buy in my line!"  
"That's what firms everywhere say! Find out why! Send for "37 Sales Plans" and samples (on your letterhead)."  
**Autopoint Company,**  
1801 Foster Avenue,  
Dept. SM-9, Chicago, Ill.  
**Autopoint**  
The Better Pencil  
**HERE'S HIS SECRET!**

SEPTEMBER 1, 1936

## Media and Agencies

(Continued from page 345)

I. Newman & Sons, Inc., corset manufacturers, have announced that they will depart from the conventional technique in corset advertising copy, with candid camera shots of large women fully clothed replacing the well-known "before and after" type of picture. Lawrence C. Gumbinner Advertising Agency will direct the campaign. . . . Monark Battery Co. and the Raytheon Production Corp. to Ford, Browne & Mathews. . . . DuBois Reeves Fences, Inc., to Evans, Nye & Harmon, Inc. . . . Radio Guide to Lord & Thomas. . . . Anthracite Industries, Inc., to the Simperts Co. . . . Rare Chemicals, Inc., and Cary Maple Sugar Co., Inc., to Charles W. Hoyt Co., Inc. . . . Samuel Kirk & Son, Inc., to Van Sant, Dugdale & Co. . . . Photo-Modes, Inc., to Pettinger-LaGrange, Inc. . . . American Commercial Alcohol Corp. and its subsidiary, the American Distilling Co., Inc., and the Bilt-Rite Baby Carriage Co. to Hanff-Metzger, Inc. . . . Eastern Air Lines to the Federal Advertising Agency, Inc. . . . Seabury, Inc., makers of Edrolax, to Ferry-Hanly Co. . . . Eric W. Stockton, vice-president, secretary and one of the founders of The Ralph H. Jones Co. of Cincinnati and New York, has resigned. He will announce his new connection in the near future.

### U. S. Printing & Lithograph Appointments

Arthur R. Morgan, president of the United States Printing & Lithograph Co., announces the appointment of A. C. Osborn, vice-president, to the newly created office of coordinator of sales and production for all divisions of this company, with headquarters in Cincinnati. The new manager of the western division is Arthur C. Saylor, for 15 years sales manager of the

western division, and prior to that manager of the Chicago branch office. John Palmer, head of the Palmer Advertising Service, a division of U. S., has been made lithograph sales manager for all divisions.



In CLEVELAND it's

• THE HOLLENDEN

In COLUMBUS it's

• THE NEIL HOUSE

In AKRON it's

• THE MAYFLOWER

In TOLEDO it's

• THE NEW SECOR

In DAYTON it's

• THE BILTMORE

In SAVANNAH (Ga.) it's

• THE OGLETHORPE

In MIAMI BEACH it's

• THE FLEETWOOD

## Personal Service and Supplies

Cash Basis Only. Remittance Must Accompany Order.

Classified Rates: 50c a line of seven words, minimum \$3.00. No display.

### EXECUTIVES WANTED

**SALARIED POSITIONS, \$2,500 to \$26,000.** This thoroughly organized advertising service of 26 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance for moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

**SALES MANAGER CONVERSANT WITH** production and marketing of shoe polish. Manufacturer with AAA1 rating, 60 years' successful experience in allied lines has excellent opportunity for executive qualified to organize and direct new department. Give business history and essential information in first letter. Box 482, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

**WANTED—SALES ENGINEER FOR HAN-** dling conveying equipment in Central West. Nationally known Conveyor Manufacturer. Give experience and references. Address Box 484, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

### PHOTO AD CARDS

**BOOST YOUR SALES THIS SUMMER—WITH** Photo Ad Cards. Effective because different. 1c postage. No cuts to buy. Used by corporations, business and professional people. Beautiful samples free. Write, Graphic Arts Photo Service, 293 Market Street, Hamilton, Ohio.

### HELP WANTED

**SALES EXECUTIVE TO TRAVEL.** WHOLE-sale grocery experience necessary. Must be capable of conducting productive sales meetings and handling new and old distributors. Applicant must make a good appearance and be 35 years or older. Enclose recent photograph and give full particulars on past experience and last salary. Address Box 481, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

### POSITION WANTED

**SALES EXECUTIVE**  
**TWENTY-FIVE YEARS EXPERIENCE—MA-** ture, virile executive fortified with an analytical background. A keen and constructive director of merchandising and organization. Alert to rapidly changing buying trends and with first hand knowledge of the retailer's perspective. A man who knows how to develop job responsibility in salesmen and to produce results by implemented selling. Willing to travel. Not interested in hard lines. Box 483, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

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# COMMENT

BY RAY BILL

**E**XPLODING AN OLD THEORY: The Circuit Court of Appeals has recently made a significant decision in favor of the John B. Stetson Co., in which it enjoins the Stephen L. Stetson Co., Ltd., from using the name "Stetson" in any way on hats or in advertising, except in connection with a specified notice differentiating the latter's product from hats manufactured by John B. Stetson. Judge Swan stated in part:

"The evidence is clear that the word 'Stetson' had acquired a secondary meaning and had come to identify hats of the John B. Stetson Co. long before Stephen L. Stetson and his company entered the field. Hats are generally known to the buying public by the surname of the manufacturer—such as Knox, Dobbs, Dunlap or Stetson—and little attention is paid to the given name or initials. Under such circumstances it was inevitable that the latecomer's hats would be confused with the product of the well-known manufacturer, unless some means of differentiation were adopted, and that the addition of the prefix 'Stephen L.' to the surname 'Stetson' would not suffice to differentiate."

This decision clearly moves in on some of the old theories with respect to the right of a man to use his own name, at any time, in any way he sees fit. A continuance of judicial opinion in this direction may bring back much of the former tendency to identify quality products with individual names, a practice which was abandoned to a large extent in favor of special trade names which could be registered and more effectively protected.

**T**ESTIMONIAL ADVERTISING: While some manufacturers and their advertising agents have frowned on merchandising based on testimonials, others continue capitalizing on testimonials to a maximum. A recent survey of radio broadcasting to be done during the coming Fall and Winter season indicates what might be regarded as a circumvention of the direct testimonial. Made by *Time* Magazine, this survey reveals an "opulent wedding of big business and show business." Hollywood, which has long been a mecca for testimonial copy, is to supply a very large part of the sponsored radio programs.

Clark Gable, Marlene Dietrich, Jack Oakie, Helen Twelvetrees, Lily Pons, Joe E. Brown, Ginger Rogers, Brian Aherne, Joan Crawford, Franchot Tone, Myrna Loy, Jean Harlow, Marion Davies, Gloria Swanson, Fred Astaire, Jackie Cooper, Polly Moran, Hoot Gibson, Jack Holt, Elissa Landi and Anne Shirley are among the Hollywood stars whose voices will go over the air in advocacy of soaps, cigarettes, motor cars and railway companies. *Time* estimates it will require over \$50,000,000 to compensate

the vaudeville, theatrical and cinema talent to be used.

To what extent this use of celebrities will reflect itself in printed advertising and in retail store promotion remains to be seen. We predict that the tie-up will be very substantial because, say what you will, do what you will, the human equation in selling has a drawing power in begetting attention and interest that greatly exceeds the public enthusiasm for the more pedantic and engineering type of sales appeal recommended by advocates of strictly factual selling and of educational copy which savors of label regulations and Bureau of Standards definitions

**A**NTI-PRICE DISCRIMINATION: Within the fortnight, and under this heading, the Federal Trade Commission made public a discussion of the Robinson-Patman Act, wherein it is made increasingly clear that the real objective of the new law is to prevent arbitrary price discrimination in the course of interstate commerce, where through such discrimination the seller confers substantial competitive advantages upon some customers and not upon others. This bulletin is recommended reading for all sales executives. Undoubtedly some companies have depended for their profits more on their ability to buy at extra low prices than upon their ability to sell more efficiently. Where this is true and tends to create monopoly, the governmental axe is likely to strike quickest and hardest. Meanwhile, the long time trend of such legislation constitutes a direct challenge to the real ability of sales executives as distinguished from the ability of purchasing agents to buy cheaply. This challenge will be welcomed by sales executives who "know their stuff" and ought to presage higher incomes, higher official titles and more directorships for sales executives as a whole.

**W**HAT INDUSTRY MEANS TO AMERICA: Under this caption, the business magazine *Factory*, in its 400-page special issue for August, tells the factual story of American business. The picture it presents should be imbedded in the mind of every enterprising sales executive because, in the last analysis, if goods are not sold, factories cannot continue to produce them. What this impressive assembly of factual data sets forth is, therefore, *per se* a great tribute to sales executives.

For the period 1923-33 inclusive, it reveals an average of 4.2% profit on each dollar of sale.

# MORE BLUE CHIPS on the greater BLUE Network!

*National advertisers, more and more,  
are banking on the great NBC Blue  
... on a proved basis of Sales Made*

The leading industries of America know the Blue... many of them have used it for years. They regard it as a star salesman... one whose record can stand comparison with the best in the broadcasting field. "The Blue Book of Blue Network Advertisers" contains their names... it is a surprising recommendation. They'll tell you "The Blue is a great sales medium."

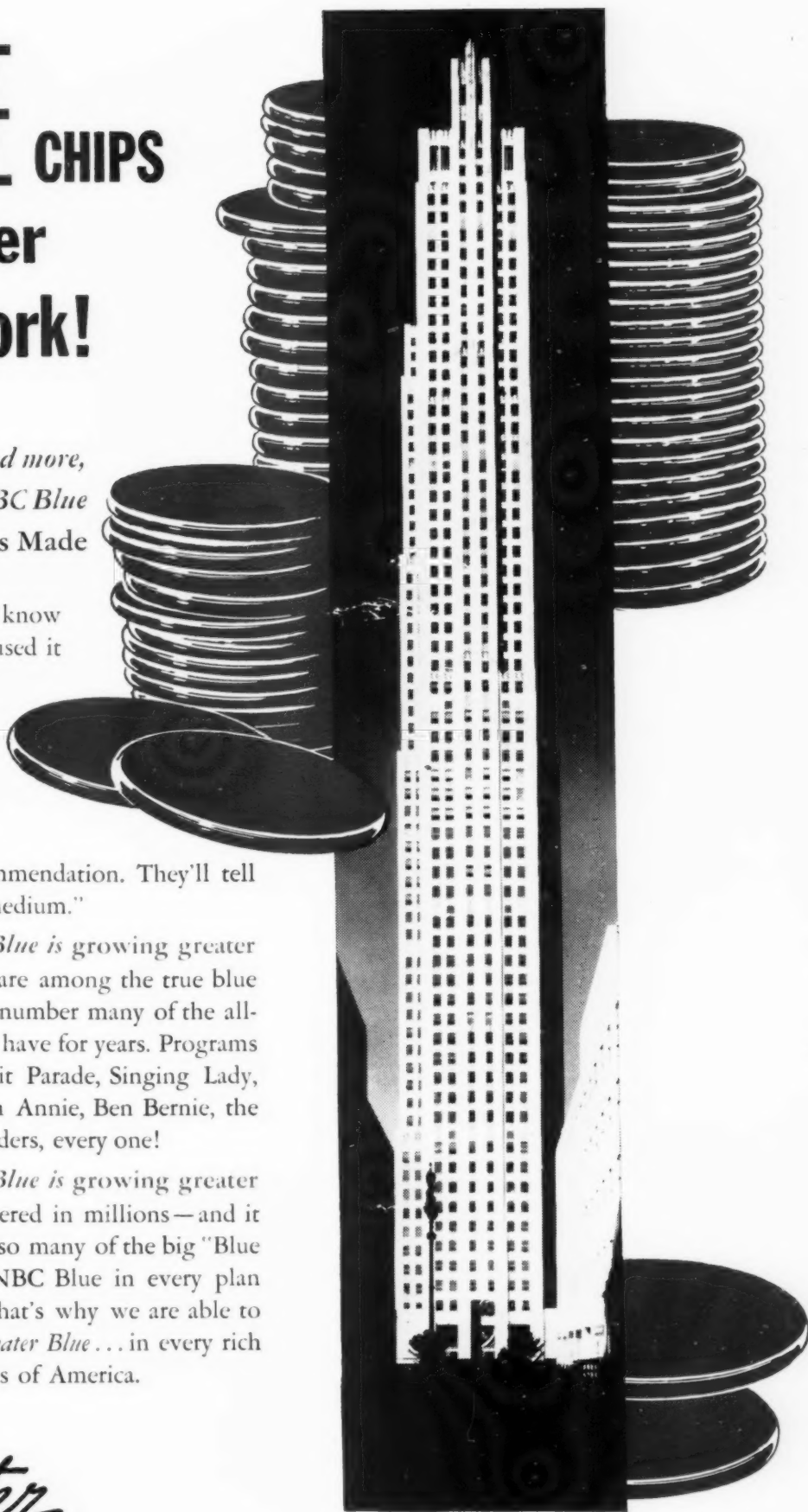
*... and the Blue is growing greater*  
NBC Blue Network Programs are among the true blue ribbon winners of the air. They number many of the all-time popularity winners... they have for years. Programs such as Fred Waring, Your Hit Parade, Singing Lady, Sinclair Minstrels, Little Orphan Annie, Ben Bernie, the Magic Key! Great audience builders, every one!

*... and the Blue is growing greater*  
This listening audience is numbered in millions—and it is a *buying audience*. That's why so many of the big "Blue Chip" advertisers include the NBC Blue in every plan which calls for broadcasting. That's why we are able to keep on making the Blue a *Greater Blue*... in every rich sales market of the United States of America.

*The Greater*

## NBC BLUE NETWORK

SERVING ALL PRINCIPAL MARKETS IN THE UNITED STATES



To catch,  
to hold,  
to capitalize on

# *attention*

is the first objective of all advertising. But after winning the eye, each advertisement has a bigger job to do: it must create respect, build confidence, make sales. In this the editorial policy of the medium is all-important.

Editorial policy is the lodestone which attracts a magazine's readership. It determines the number, but more important, the intelligence of a magazine's readers. On editorial policy alone depends the reader's attitude toward a magazine—his confidence, his respect. If the editorial policy gives authority to what a magazine says, this authority carries over into the advertising columns.

TIME's editorial policy is simply this: to put all the important news of every week into curt, clear and complete form so that it will stick in the reader's head. Consequently TIME attracts few casual readers. Aware of TIME's objective, its readers read for a purpose. Knowing that nothing goes into TIME unless it is important, they read from cover-to-cover.

Thus to more than 600,000 families TIME has become the prime U. S. news-authority—and what TIME says carries weight. Advertisements in TIME become part of the weekly news-reporting upon which these intelligent people depend.

**TIME**  
*The Weekly Newsmagazine*



